

CITY OF ST. FRANCIS
CITY COUNCIL WORK SESSION AGENDA
St. Francis City Hall Fire Station, 3750 Bridge Street NW
February 24, 2025
5:30 p.m.

1. CALL TO ORDER

The City Council Work Session meeting was called to order at 5:30 p.m. by Mayor Mark Vogel.

2. ROLL CALL

Members Present: Mayor Mark Vogel, Councilmembers Kevin Robinson, Sarah Udvig, Amy Faanes, and Joe Muehlbauer.

Also present: City Administrator Kate Thunstrom, Deputy Administrator-City Clerk Jenni Wida, and Deputy Administrator-Public Works Director Paul Carpenter.

3. AGENDA ITEMS

A. City Facilities Discussion

Public Works Director Carpenter reviewed the Staff report in regard to three City buildings, the old City Hall, the church property on Rum River Boulevard, and the ice rink warming house.

Muehlbauer shared that he does not feel strongly about whether or not they use the old City Hall building as a municipal THC dispensary. He said if they could sell the property for \$500,000, then he would be more in favor of selling the building. He noted that the building on Rum River Boulevard would not be the kind of Community Center that the residents would be looking for.

City Administrator Thunstrom explained that if a city owns and operates a dispensary, they will not be eligible for federal grants and funding for drug enforcement and trafficking. She said they are not currently receiving any federal funding for this as there is not a need for it.

Muehlbauer said he is leaning away from a municipal dispensary as the State benefits are not great. He added that the startup costs to make this building a dispensary do not seem to be worth it at this time.

Carpenter shared that they are on a timeline to decide whether or not they would like to purchase the church property off of Rum River Boulevard. He noted this property could be used as is if they wish to defer expenses at this time. He said what makes this property unique is that it is attached to Community Park. He added that they could also turn the warming house into a year-round facility to be used as a smaller Community Center.

Muehlbauer asked where the estimated renovations budgets came from. Carpenter shared that he has not done all of the research to know if this is an accurate estimate as it was just a best guess.

Mayor Vogel asked how much the property would cost if they purchased it from the church. Carpenter shared that the church said they would sell it for \$275,000. He added that the water valve at this property is damaged and would cost another \$10,000 to \$15,000 to fix.

Robinson shared that Zillow has the value of this property between \$242,000 to \$287,000.

Faanes asked if they bought this property and left it as is for now if they could just turn off the water. Carpenter said the valve has to be repaired eventually as it could flood the building and they would not be able to turn it off at the street.

Muehlbauer asked if they have the funding in the park fund to purchase this property. Thunstrom shared that they could use funding from the park fund, the municipal liquor store, or proceeds from the sale of the old City Hall to purchase this property.

Faanes shared that she would be in favor of selling the old City Hall as she does not think the benefits of having a municipal dispensary outweigh the potential federal grants and funding for drug enforcement and trafficking if they were to ever need it. She added that the church building would be nice to have; however, it would not be what the residents are expecting a Community Center to be. She noted that there is still a need for community rooms. She asked what the \$200,000 estimate for the warming house would go towards. Carpenter shared it would fix the boards, re-roof the building, asphalt the parking lot, and other repairs.

Faanes said it would be nice to see the warming house updated.

Muehlbauer asked if they have any money left in the maintenance fund. Thunstrom shared that the dollars that have been put into this fund are for maintenance. She noted that park dedication funds cannot be used for maintenance.

Mayor Vogel asked if park dedications fund could be used to purchase the church property. Thunstrom noted that the use of these funds is guided by State statute and have to be used for something that is new or an improvement. She explained that if they were to build a new building on this site then it would qualify for park dedication.

Robinson said he would like to sell the old City Hall building since they already have three interested parties. He noted that having a municipal dispensary would be too much of a burden. He asked for a breakdown of the repairs at the warming house. Carpenter explained that they would be looking at turning the parking lot to

the west into a basketball court, the center parking lot would remain for parking, the warming house would have renovations done and there would be an extension to the north where they would have a covered area with picnic tables, and the ice rink would be asphalted with six pickleball courts for summer use. He shared the idea of adding a firepit in this area.

Robinson stated he would be in favor of purchasing the church property. He asked about the vision of these renovations. Carpenter shared that they would want to open up the top floor of the house and make it ADA accessible. He added that they would do the same with the garage.

Robinson shared that he likes the idea of purchasing this property for a Community Center. He said he would hate to see the building demolished rather than renovated. He noted this would be their opportunity to give the residents something that they have been asking for.

Faanes asked if the pickleball and basketball courts would all be first-come-first-serve. Carpenter said yes.

Faanes asked if any of the neighborhoods in the City would rent out their community rooms to other residents. Udvig shared that these neighborhoods tend not to rent these rooms to non-neighborhood residents as this amenity is a selling point for the residents who do live in the neighborhood.

Muehlbauer said he would not want to call the old church building a Community Center but rather a Community Room or Community Space.

Robinson asked how negotiations would take place for this church property. Thunstrom shared that in the past they have used Michelle Anderson with BGS and that is properly who they would use to purchase the church building and sell the old City Hall. She added that they could also use their attorney firm to negotiate the purchase of the church property.

Carpenter added that the church's realtor is already aware of the issue with the water valve at the building.

Udvig said she does not see the old City Hall building as a place where they would want a dispensary if they were wanting to have one anyway. She shared that if they do not have a municipal dispensary, then she thinks they will end up regretting this decision. She stated there are a lot of people who use THC in the City and whether they purchase it through the City or one of the retail locations, they will still be purchasing it. She added that having a municipal dispensary making them ineligible for federal funding for drug prevention could change in the future. She reiterated that she does not think the old City Hall building would be the right building for a dispensary and supported selling it. She noted that if they can buy the church property, then she thinks they need to buy it as it would be of great

value to have this building as part of the park and if they pass on this opportunity now, they may never have it again. She shared that this park is being used more and more and it would be very beneficial to have this building. She added that she sits in on the Parks Commission meetings and this building was discussed at their recent meeting. She added that they also do not want to call it a Community Center since this would not be the kind of Community Center that residents would be expecting. She noted that the best route may be to demolish the building and use the property for whatever they need. She said they could put disc golf in place of the building.

Mayor Vogel shared that he would like to sell the old City Hall location. He explained that the State regulations around THC and cannabis are a mess and will take time to figure out and he does not want to see them hold onto this building with the hope of using it as a municipal dispensary. He said he would be in favor of purchasing the church property as this is a very rare opportunity to purchase a property so close to the park; however, he is not in favor of remodeling it and would rather see the funds they could use to renovate this building be used at the warming house. He stated that if they sold the old City Hall building, they could purchase the church property with those funds and still have some left over that they could use for the warming house project. He noted that if the residents are in need of a community room to host events, then they could look at renting out City Hall.

Robinson asked if there was something that they could do to isolate the upstairs portion of City Hall to allow people to rent it out during the day. Thunstrom explained that the upstairs was not finished with the intention of having occupants and if they wanted to use it they would have to make upgrades.

Faanes asked if there would be too many security issues with renting out the Council Chambers. Carpenter said yes.

Thunstrom explained that if they were going to rent out any area of City Hall then they would need to bring on a part-time employee to be at City Hall during events outside of business hours or they would have to pay existing Staff overtime. She noted that a lot of people who are needing to use a community room like this book far in advance.

Udvig asked how much they are currently charging for people to rent rooms in the old City Hall. Thunstrom said there is a \$150 deposit and \$50.00 per event for resident and \$100.00 for non-resident.

Robinson asked if there are any changes or updates that need to be made to the old City Hall building to make it sellable. Carpenter said there are none.

Thunstrom suggested listing the old City Hall building at the higher end as they can be more aggressive with their sales approach.

Udvig asked if there are any people who have reserved space at the old City Hall and if they will be able to still rent it out while it is in the process of being sold. Thunstrom explained that in any purchase agreement they will likely have a 60-day closing time frame. She noted that she would give any new renters, and existing renters notice of the sale.

Carpenter shared that they may be able to use the space at the warming house to be rented out while the old City Hall building is being sold.

The consensus of the Council was to move forward with selling the old City Hall and purchasing the church property off of Rum River Boulevard.

B. Mayor Term Length and Council Term Limits

Thunstrom reviewed the Staff report concerning Mayor and Councilmember term limits. She noted that they cannot change the term limits for Councilmembers but can for Mayor with a charter amendment.

Mayor Vogel shared that he is the one who brought this item forward. He explained that in order to be effective Councilmembers and Mayors, they need to have time to build relationships and respect, and he does not know how this can be done effectively in two years. He said he sees a lot of advantages to allowing a Mayor to have a four term. He shared that he has a dream to push Bridge Street through to Highway 47 and this is not something that can be done in two years. He added that this would not affect him as his term is up in 2026. He said he would like to see this go to a ballot so that the residents can vote on it. He noted that he would not want to move forward with this unless everyone on Council was on board.

Muehlbauer noted that they would want to put this on a ballot for a presidential election year when there is good voter turnout. He added that a lot of the propositions that are on the ballot to be voted on are not very clear, and people do not know exactly what they are voting on. He noted that he would like to see the Charter Commission done away with as it is overly regulatory, and the statute is already restrictive enough. He reiterated that he would like this to be on the ballot in 2028 as it would be a presidential election year, and more people would be showing up to vote.

Mayor Vogel asked if they could make an appeal for this in the newsletter. Thunstrom said they would want to communicate this to residents on Facebook, the City website, the newsletter, and other social media platforms.

Faanes shared that she was speaking to the Mayor of Corcoran, and he shared that they recently made the change to four year terms. She explained that all Councilmembers and Charter Commission members had to vote unanimously for this to be changed and if it was not unanimous then it had to go to the ballot. Thunstrom said they could go this route; however, the residents still have the ability

to petition this.

City Clerk Wida shared that at the end of the most recent general election there were 5,650 registered voters and 5% would need to petition this decision which would be 283 residents.

Robinson stated he is supportive of four-year terms for Mayors as whoever is elected put in lots of hard work campaigning and was voted in. He said he would like to see this done as transparently as possible.

Faanes suggested putting this on social media prior to it going to vote at the Council and Charter Commission levels to give the residents an opportunity to voice any concerns they may have. She said he would be in favor of this and would vote for it on both Council and the Charter Commission. She asked if they did away with the Charter Commission if just the Council would be able to make a decision on the term limits for a Mayor. Thunstrom shared that anything that the Council does has a right to be petitioned. She explained that if they change the Charter then they would rewrite the terms into statute.

Muehlbauer shared that he would like the residents to support this as well. He said if they do put this to a vote he would like it done during 2028. He asked Mayor Vogel what his ideas were for overall term limits for both Councilmembers and Mayors. Mayor Vogel said he would like the Councilmembers to be able to serve 12 years and a Mayor be able to serve eight years.

Muehlbauer noted that there is a lot more required of a Mayor, both in campaigning and in the role itself.

Udvig asked what would be involved in switching from the Charter to a statutory City. Thunstrom said the Council and Charter Commission would have to unanimously support this or it would have to be voted on by the residents.

Faanes asked if they would be able to get this on the Charter Commission's March 10 agenda. Thunstrom explained that they could put this discussion on the agenda to see how the Charter Commission feels about this before they organize the formal voting process.

Muehlbauer shared that it will be difficult to truly educate the residents on this as most of them do not read the newsletter or the City website.

Thunstrom noted that it would be beneficial to dissolve the Charter Commission for the limits it puts on Economic Development of requiring two readings and 30 days for ordinances, which is above and beyond statutory requirements. She added that they have also had a lot of vacancies open over the last several years and being required to have applications open for 30 days slowed down the process. She shared that the League of Minnesota Cities has a group that works specifically for

charters and suggested they have them come in for a Work Session.

Robinson asked if they will want the residents to be involved in this discussion if they have any questions for this group of the League of Minnesota Cities. Thunstrom said they could stream the meeting so residents can view it and ask questions.

Mayor Vogel asked how many cities in the State are Charter cities versus statutory cities. Thunstrom said there are 109 Charter cities out of 854 total cities.

The consensus of the Council was in favor of four-year Mayor terms and directed Staff to present this to both the Council and the Charter Commission.

C. Code of Conduct

Thunstrom reviewed the Staff report in regard to the code of conduct.

Mayor Vogel shared concerns with the requirement that Council must ask Staff questions about agenda items more than 24 hours in advance of a meeting. He said this is not realistic.

Muehlbauer said he understands the idea behind this; however, he wants to make sure that the Council is being realistic of their ask to Staff as they may not have an answer right away.

Mayor Vogel noted that he understands the intent of this but he does not like the way it reads.

Thunstrom said they could remove the 24 hour in advance requirement.

Mayor Vogel suggested including language around Council making an honest attempt to ask any questions about an item 24 hours in advance.

Udvig added that they could also add something about any question that is asked within 24 hours of a meeting that they will accommodate Staff and allow time to get back to them with an answer.

Faanes noted that they would still be able to ask questions at the meeting. She said she would never ask a question that she would expect an immediate response on. She added that it would be very hard for Council to think of every question they may have ahead of time. She said she would not want it to seem like they are having the meeting and asking all questions before the meeting itself.

Muehlbauer encouraged Councilmembers to call Staff ahead of the meeting if they need help understanding something so they can come best prepared to discuss the item at the meeting. He explained that once they get this understanding, they can

share it at the Council Meeting for clarification for any residents that may not have the understanding either.

Thunstrom shared that former Mayor Feldman used to contact Staff before the meeting and ask all of his questions, then he would also ask them at the Council Meeting so the residents also got the answers. She said Staff is always happy to answer these questions twice.

Faanes asked if they could just remove this requirement. Thunstrom said yes and noted that they could also change the language to ask Council to reach out to Staff with questions within a reasonable timeframe.

City Clerk Wida suggested changing the language to ask the Councilmembers attempt to ask Staff questions more than 24 hours in advance of a meeting.

Udvig said she does not think this is a huge issue at the time being; however, as Councils change it does not hurt to have something like this in the Code of Conduct.

Muehlbauer stated that asking questions before the meeting helps them understand the item better and give them more time to process. He noted that he would like this to be transparent as the residents could preserve this differently.

Robinson shared that he would never want to put Staff on the spot and expect an answer to a question right away. He said he is good with leaving this as is or adjusting the language to remove the 24-hour requirement and replace it with an ask to provide Staff sufficient time to answer the question.

Mayor Vogel suggested adding language that states Councilmembers will attempt to provide Staff sufficient time in advance of a meeting to ask questions. He noted that he has a concern with the next item in the Code of Conduct that states that the Council will let the City Administrator know ahead of time if they would like to pull an item from the Consent Agenda.

Udvig asked if this has to do with asking that the item be completely removed. Mayor Vogel noted an item cannot be removed entirely if the agenda is already published.

Wida said they can remove an item completely during the meeting but cannot be removed beforehand.

Muehlbauer noted that they can pull an item to be discussed right then and there before voting on it.

Mayor Vogel suggested changing this language to the same as the previous item

that Councilmembers will attempt to let the City Administrator know ahead of time if they would like an item removed from the Consent Agenda. He shared that he had a question on the item that states that Staff will strive to provide a full range of policy options and practicalities along with their recommendations and ground Council discussions. He asked what grounding Council means. Udvig stated this means that Staff will keep Council on track with the item.

Mayor Vogel requested they change the word 'ground' to something like 'center' or 'guide.'

Thunstrom said they can change this to the word 'guide.'

Mayor Vogel noted that Councilmembers should attend Staff meetings at least once in their career. He said he found it very beneficial when he sat in on a Staff meeting and he does not want it to be so restrictive that Council cannot attend these meetings. Faanes agreed.

Udvig suggested that Council be required to notify Staff if they would like to attend a meeting. She noted that some Staff meeting may not have any information that Council is interested in, that way Staff can let Council know if there is a more informative meeting that they could attend.

Wida suggested changing this language to state that Council should notify Staff of interest in attending a Staff meeting. The Council was in agreement with this language.

Faanes asked why this Code of Conduct was written in the first place. She asked if there have been issues in the past that led to the need of a document such as this. She also asked how this compares to Code of Conduct policies that they have for Staff. Thunstrom explained that they are not currently in a position where they need this Code of Conduct while there are other cities in the area that are putting similar Codes of Conduct in place to solve existing issues. She said they do have a Code of Conduct in the personnel policy which is very employee focused. She noted that this Code of Conduct applies to Council on a deeper level and is more specific to some of the issues that other cities are seeing.

Udvig shared that she looks at this Code of Conduct as a way to get ahead of the game in case there are ever any issues in the future. Mayor Vogel agreed.

Mayor Vogel shared that the *Star Tribune* reached out to him to get more information on why so many cities are adopting Codes of Conduct.

Thunstrom noted that Staff gets screenshots from residents if Councilmembers or Commissioners social media posts.

The consensus of the Council was to move forward with the discussed changes to the Code of Conduct.

D. Donation and Gift Rules

Thunstrom reviewed the Staff report concerning the donation and gift rules.

Mayor Vogel asked if they need to share where the money will be going when they receive donations. Thunstrom explained that there is a department that has been approached about a large donation; however, it is for a specific use. She said they would ask donors what the intent is for the donation so they can follow that. She added that they need to be including the donor's terms in the resolutions when they are voted on by Council. She noted that different causes have their own set of terms.

Muehlbauer noted that he does not believe that it is the City's place to donate to the Alexandra House. He asked if this is considered public health as there are members of the community that have greatly benefited from them. Thunstrom stated the Alexandra House is a great organization, but it is not classified as public health.

Thunstrom explained that the Alexandra House receives direct referrals from the Police Department for those who are in domestic violence situations. She noted that because of this, they are helping residents by donating to the Alexandra House. She said this would fall under the category of public safety and general welfare.

Muehlbauer shared that some places that request donations may be a great cause; however, he wants them to be careful where they donate.

Robinson noted that when the Police Department does a forfeiture that goes to auction, the City spends the money on the litigation process. He asked how this works. Thunstrom said she would have to look into this. She noted that forfeiture funds have to go towards equipment. She added that the Police Department funds are technically still the City's funds.

Udvig shared that Oak Grove has a set amount of money that they are able to give out as donations on a first-come-first-serve basis. She said they could look at this as a way to handle donations if it was something they were interested in down the line.

Muehlbauer asked if doing a joint fundraiser is different from a donation. Thunstrom explained that they helped the School District with a park; however, this park is counted in the City's park plan so there is a public benefit. She said there are ways that they have made donations in the past that make sense. She noted there is a process to fundraising and receiving donations that they have to follow.

Faanes asked why the City would be giving donations to anyone. She said it makes sense to give donations for something that will have a community benefit. She noted that the statute says they should not be doing fundraising with a few exceptions. She stated she does not think it is very transparent to accept donations. She said if there was someone who was making large donations to the City she would wonder why they were doing this and if they were expecting something in return. She noted that when someone gives a donation it becomes public money and makes the situation a very grey area. She added that they have already received two donations in 2025, as well as two donations for the Police Department in 2024, and five bikes for the bike rodeo in 2023. She shared that in 2022 she gave a \$100 check to the Fire Relief Association which was deposited into the City's general fund and she requested this money back as she was donating to the Fire Relief Association and not the City. She added that they received a lot of donations in 2022, including around \$3,000 from Peterbilt. She asked why Peterbilt would be donating so much to the City in one year. Muehlbauer noted that this would be a question for Peterbilt. He said if people want to make donations to the City then he will accept it. He noted that companies often make donations and do not expect anything in return.

Mayor Vogel noted that if a local business made a large donation to the City then it could be perceived as them trying to buy influence.

Udvig shared that there may be people who want to leave the City in their will or want to donate to the City for a certain cause.

Thunstrom explained that when they receive and spend donations, it is all outlined in the State audit every year. She noted that different people and companies donate for different reasons.

Faanes asked if the City asked for donations. Thunstrom said that for some City events the Chamber of Commerce will ask for donations; however, the City does not ask for donations. She noted that the donations that are received are unsolicited and come from someone who sees value in donating.

Mayor Vogel said he wants any donations received to be transparent.

Udvig shared that if a company is donating a lot of money to the City then should like to know why and if they have an ulterior motive; however, she does not think there are any donors that are currently giving to the City with an intent to get anything in return.

This item was for discussion only.

Faanes asked why some items are discussed at a Work Session while others are just discussed at Council Meetings. Thunstrom explained that topics that can become more complicated start as items at Work Sessions. She noted that these

meetings are typically more informal as well. She added that minutes are taken for every Work Session and these minutes are approved by the Council.

Wida noted that Work Sessions are not required to be live streamed under State statute and neither are regular city council meetings. There does need to be a record of minutes for each meeting.

Mayor Vogel added that for Work Sessions, they do not require all Staff to sit through these meetings that may not be relevant to them.

Udvig noted that Work Session discussions also help Council to prepare for these discussions when they take place at the Council Meetings.

Thunstrom added that Work Sessions are to provide Staff direction as they cannot make official decisions at these meetings.

Faanes shared that she received an email from a resident who owns a property that is a part of the street reconstruction project on Woodbine that was discussed at the last Council Meeting. She shared that the resident was not able to attend the meeting but heard that the project passed without sidewalks. She said this resident would like to have a conversation with the City about the land next to Casey's off of Bridge Street that he may be interested in. She asked who she should forward this email to. Thunstrom said she can send the email to her. She added that this resident has also already talked to Public Works Director Carpenter about the sidewalks.

Faanes asked about the other properties that the City owns and if they can make this list available on the City's website. Thunstrom shared that they have a general list of the properties that are owned by the City and this list is not public because some land is for park dedication and this could lead to some confusion with the residents. She noted that City properties that are for sale are listed on the website.

4. **ADJOURNMENT**

There being no further business, Vogel adjourned the City Council Work Session at 7:57 p.m.

Jennifer Wida, City Clerk