

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
March 23, 2026 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors Rachel Christensen, Larry Baker, Ted Herman, Reid Olson, Keith Van Beek, City Manager Ian Rigg, Public Works Director Steven Jahnke, City Attorney Joel Holstad of Lakes National Law LLP, and Deputy City Clerk Karla Tukua

ABSENT: Councilor Brian Anderson and City Clerk Daphney Maras

ADDITIONAL STAFF PRESENT: Chief of Police Darren Hanson, City Planner Megan Boeck

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

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

CEREMONIAL ITEM - None

PUBLIC FORUM - None

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the March 09, 2026 Regular Council Meeting
- B. Approve Minutes of the March 09, 2026 Work Session
- C. License & Permits
- D. Resolution Authorizing Application to the Minnesota Public Facilities Authority Drinking Water State Revolving Fund for Lead Service Lines Replacement Project Grant Funding City Job Number 2606

Motion made by Councilor Baker to approve the consent agenda as read, seconded by Councilor Herman. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-057
(Included with these minutes))

PETITIONS, REQUESTS, AND COMMUNICATIONS

- A. Nation of Patriots Tour 2026 Presentation - Glenville Legion Riders Scott Kallberg and Larry Larson**

Larson and Kallberg spoke about the 2026 Nation of Patriots tour. Larson stated they were representing Post 264 of the Glenville American Legion and Glenville Legion Riders. Kallberg

informed Council that the Glenville American Legion and the Glenville Legion Riders applied to host the Nation of Patriots event. Noting that this is a big deal because it's a national event and through their application and then the interview process, they were chosen as the host. They are the first American Legion that's ever been chosen to host this event and the first one in Minnesota to host the beginning of the ride. Kallberg went through the event timeline, Friday, May 15th at 5pm, there is a Welcome/Send Off Party at the Glenville American Legion, Saturday, May 16th is the Starting Ceremony at 10:00am at Bergdale Harley Davidson here in Albert Lea, with the riders departing at 11:00am. Their route will take them through Albert Lea, to Glenville and continue onto their first stop, which will be Mason City, IA.

Kallberg welcomed residents to come down and be a part of the ceremony and asked them to line the streets along the route to cheer on the riders. Larson said there will be fund raisers for the Nation of Patriots in each town along the route with 100% of all funds raised going to Veterans and their families. It's the 17th Year Anniversary of this ride and he explained that the same flag that starts here in Albert Lea goes through all states participating, including Hawaii and Alaska. Larson said they have partnered with the CVB to help promote the event. He explained there will be a QR code that will link hotels and restaurants in Albert Lea along with any activities that will be going on that same weekend. Larson said that hotel rooms are already being booked for this event. Both Larson and Kallberg are excited to be part of this event and expect about 300 motorcycle riders this year.

Councilor Herman said he belongs to the Glenville Legion Riders and a veteran, he said there was a lot of work in getting this selection. He thanked Larson and Kallberg for taking the lead on this.

UNFINISHED BUSINESS

A. Ordinance 26-153 Amending Chapter 50, Article II, Division 1, Section 50.0052 (2nd Reading)

The amendment to this ordinance is related to a conditional use permit. Currently, these permits expire if construction does not begin within 12 months of approval. However, post-COVID challenges, such as labor shortages, increased construction costs, and supply chain delays, have made it difficult for developers to start projects on time. To address this, staff recommends allowing a permit extension beyond the 12-month deadline, as long as the project remains unchanged from the originally approved conditional use permit. Staff recommends approval of this final reading.

Motion made by Councilor Baker to approve as read, seconded by Councilor Herman. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-153
Included with these minutes)

B. Resolution 26-058 Approving Publication Summary of Ordinance 26-153

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 direct the public on how to obtain the complete Ordinance. Noting this does require a 4/5th vote.

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

(See Secretary's Original Resolution 26-058
Included with these minutes)

NEW BUSINESS

A. Public Hearing and Resolution 26-059 Authorizing Submission of an Application to the Minnesota Department of Employment and Economic Development (DEED)

A public hearing is being held for public input on submission of application of a Small Cities Development Program (SCDP) grant, to the Minnesota Department of Employment and Economic Development (DEED)

The attached resolution approves the submission of a Small Cities Development Program (SCDP) Grant for the purpose of rehabilitating local housing stock. The City of Albert Lea partnered with South Eastern Minnesota Community Action Council (SEMCAC) on a grant application that targets the areas of Fountain, Clark, Water and William Street. Funds are granted to local units of government, which, in turn, lend the funds in order to benefit those of low- and moderate-income levels.

The final grant request is for \$431,250 and is due to MN DEED by April 15, 2026. Cindy Vitse from SEMCAC will be available to answer any questions.

Mayor Murray opened the public hearing with a staff report, and Rigg introduced Cindy Vitse from SEMCAC to speak about the grant application. Vitse stated that what is being applied for is a single family purpose application to DEED, for small cities and for owner occupied rehab, in the targeted areas. Vitse said if funded, it will be a 30-month program and in the first 15-months they will be working in targeted area A, which includes the areas of Fountain, Clark, Water and William Street. If there are still funds available, they will go back to DEED to ask for permission to move into targeted area B, which includes the areas of College, Court, Pearl and Euclid Ave. There is not a guarantee that they will get to area B. Vitse said once SEMCAC submits the full application they should find out by late summer if approved. Vitse went through the qualifications for applicants, noting that income eligibility is based at the time they take the application and right now they are looking at 2025 income limits. Applicants need to be an owner, occupy the home, be current on their mortgage payments and property taxes, and meet the household income guidelines. Vitse used the example of the resident being approved for the full \$25,000, adding

that not all of the \$25,000 will go to the rehab cost. Part of the funds will be used for title costs and other requirements before using for rehab costs. The term of the loan would be for 7 years, if they move or sell in the first 2 years, they will have to pay back the full loan amount to the City of Albert Lea. If they are still in the home, in years 3 through 7, 20% of the loan is forgiven each year until the end of 7 years. At the end of 7 years if they still own and live in the home the loan is completely forgiven. Vitse said if any loans were paid back to the City within one fiscal year and it was more than \$35,000, it's considered program income and would need to be borrowed back out using the same reason and the same guidelines. If it's less than \$35,000 in one fiscal year, then it's considered local funds and can be borrowed out for any of DEED's objectives. Explaining that this could be for owner rehab, or it can be used for commercial or rental and that would be up to the City.

Christensen asked who does the administration of the program, to which Vitse said that SEMCAC would. She noted the City would process the payments to the contractors and explained how the process would work.

Baker thanked Vitse and SEMCAC for doing this and investing in the city.

Herman stated there were several people that wanted information on this, but had left before the public hearing. He let them know to come back tomorrow to pick up a survey. Vitse said that yes as long as they were in the targeted areas, they could still fill out a survey and get on their list.

Mayor Murray opened the public hearing. He called three times. No one spoke. He closed the public hearing.

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

(See Secretary's Original Resolution 26-059
Included with these minutes)

B. Approval of Retail Cannabis Registration – Big Dream Organics, LLC, Jerry and Angie Collins

After thorough review, including criminal history, it is determined that the applicant is eligible. In determining the registration of one of the four available openings within the City of Albert Lea, the applicant has:

- A history of managing and/or owning a retail establishment.
- No known behaviors or actions as to cause a denial or revocation of registration under Sec 5.030 and Section 5.031.
- Location of d/b/a 1039 Broadway Avenue South is appropriately zoned.

Approval is contingent on the condition that in 30 days the front window vinyl is changed to meet State Statute and Local Ordinances on sign content. Staff is recommending a thirty (30) day period to correct, as the owner is faced with zoning requirements between front window

requirements in the B2 District while transitioning from low potency cannabis retail to cannabis retail.

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

C. Approval of Retail Cannabis Registration – Brenda Zamora dba Aficionados, LLC

After thorough review, including criminal history, it is determined that the applicant is eligible. In determining the registration of one of the four available openings within the City of Albert Lea the applicant has:

- A history of managing and/or owning a retail establishment.
- No known behaviors or actions as to cause a denial or revocation of registration under Sec 5.030 and Section 5.031.
- Location of d/b/a 2006 Main Street East is appropriately zoned.

Approval requires that at the time of beginning cannabis retail operations all food services cease at the location.

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

D. Resolution 26-060 Authorizing Funds Transfer

As a result of the City Hall remodel project not moving forward, a transfer of \$123,831.62 is required to settle the outstanding architectural expenses. Had the project moved forward, funding would have been from the General Fund, Water Fund, Sewer Fund, Building Maintenance Fund, and a levy from the issuance of debt. The \$123,831.62 is allocated as follows: 60% to the Building Maintenance Fund, 20% to the Water Fund and 20% to the Sewer Fund.

Motion made by Councilor Baker to approve as read, seconded by Councilor Christensen. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-060
Included with these minutes)

E. Resolution 26-061 Accepting Bid and Awarding Contract for the 2026 CIPP Rehabilitation Project (Job 2607)

Engineering has reviewed the bids opened Tuesday, March 17, 2026 for the 2026 CIPP Rehabilitation Project. The project involves installing a cured in place pipe liner inside of the existing sanitary sewer mains in the following locations:

- South Shore Drive - 791' at Stormwater Pond
- Court Lane - Vine Avenue to Lakeview Boulevard
- Lakeshore Drive – Lakeview Boulevard to Lee Place

Engineering received three bids. Engineering is recommending the low bid of \$173,529.72 from Municipal Pipe Tool Company, LLC of Hudson, Iowa. The Engineer's Estimate was \$264,255. The bid abstract is attached. Staff recommends approval.

Motion made by Councilor Baker to approve as read, seconded by Councilor Herman. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-061
Included with these minutes)

F. Resolution 26-062 Approving Variance to Permitted Uses for 409 W. Clark Street

The City of Albert Lea received a proposal for modular housing placement at 409 W Clark Street. In 2013, the area known as Clark and Water Street was re-zoned from Residential Preservation (RP) to Diversified Central District (DCD) with the hopes of stimulating higher density residential developments within walking distance of the downtown. The DCD does not permit single-family residential uses and as such the proposed modular house requires a variance as a permitted use.

The Board of Appeals met on March 17, 2026 to conduct a public hearing to consider a variance application from the City of Albert Lea to allow a single-family residence in the Diversified Central District and recommends approval based on the findings of facts stated in the attached resolution.

Motion made by Councilor Baker to approve as read, seconded by Councilor Herman. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 26-062
Included with these minutes)

G. Resolution 26-063 Approving or Denying Variance to Yard Setback Requirements for 915 Autumn Street

The City of Albert Lea received a proposal for modular housing placement at 915 Autumn Street. The model proposed is 1,128 sq. ft with overall measurements of 32ftx40ft plus an additional 16ft for an attached garage. The property at 915 Autumn is a 66ft wide lot that requires 10% of the lot frontage in side yard setbacks or a total of 6ft on each side. In order to accommodate the attached garage and modest space on each side, the applicant is proposing a reduced side yard setback of 5ft which requires a variance.

The Board of Appeals met on March 17, 2026 to conduct a public hearing to consider a variance application from the City of Albert Lea for reduced side yard setbacks and did not come to a unanimous or majority decision.

Christensen stated she would vote yes on this due to the Appeals Board being evenly split in their decision. Had they not been, she would support their overall decision.

Baker said this is another step forward with the city's housing needs and is good news.

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

(See Secretary's Original Resolution 26-063
Included with these minutes)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Christensen reported:

- Ward Items – None
- Committee Update – Attended City Day on the Hill in St. Paul. First time she's attended and very educational. There will be a Senior Health Fair this Thursday, March 26th at the YMCA. Invited people to stop out at the Y. Last week the Albert Lea Police Dept. and Minnesota Aging Pathways presented a seminar on preventing frauds and scams. If anyone missed it, you can watch it on the Age Friendly Freeborn County Facebook page.
- Blue Zones Committee meets this week and Budget Committee meets next week.

Second Ward, Councilor Baker reported:

- Ward Items – None
- Committee Update – Attended City Day on the Hill and had good discussions. Will attend the Coalition of Greater Minnesota Cities Legislative Action Day. Will attend the HRA meeting this week and said the soil boring test failed for the duplex build they had planned. Noting there are some other lots they will look at for a build. He added that the Tapestry Project will be on the agenda for the HRA meeting tomorrow.
- Sent heartfelt condolences to the Bryan Skogheim family.

Third Ward, Councilor Herman reported:

- Ward Items – None
- Committee Update – He will have his first committee meeting tomorrow.

Fourth Ward, Councilor Olson reported:

- Ward Items – None
- Committee Update – He noted the housing items that were just voted on were from his board of appeals meeting he attended and there were some good discussions. Attended the Airport Advisory meeting, elected new officers. He said the next meeting they will discuss a new hanger that will be built and plans for the next couple years.

Fifth Ward, Councilor Van Beek reported:

- Ward Items – None
- Committee Update – Will attend the HRA meeting tomorrow night. He thanked the Glenville Legion Riders on their work in getting the Nation of Patriots event here in Albert Lea. Stating he's worked with them since November on this process and it's an honor to have this national event here.

Sixth Ward, Councilor Anderson reported: - Absent

- Ward Items –
- Committee Update –

MAYOR REPORT:

Reported the following and provided details of each:

- Meetings with ALEDA on project updates
- Attended the 104th Birthday of Lupe Gasca, noting he was a World War II veteran. It was an honor to sit and talk with him.
- ALEDA meeting this week and will have an offer for an Assistant Director
- Attended the planning meeting for Eddie Cochran days at the Fire Station, invited all to attend this event.
- Helped interview six high school students at Freeborn Mower Cooperative. Freeborn Mower sends two students each year for a trip to Washington DC.
- Attended the Board of Appeals meeting and met with the board members.

CITY MANAGER REPORT

- Working on some TIF items and will bring to council when ready.
- The City has sent out RFP's for city lots and offering incentives for in-fill for city housing. RFP's are on the city's website.
- There was property that went through the RFP process a year ago and has been recently completed and is now up for sale.
- Working on an economic development plan, putting together a general plan to incorporate three agencies within the city in the plan. The HRA, Economic Development Agency and the Port Authority.
- Resolution coming up for closing the sales tax
- Attended and testified at a hearing last week for the tax committee in the Senate.
- Attended Lobby Day (City Day on the Hill), and will attend Legislative Action Day, both in St. Paul.
- Reminded council on information he sent out on National League of Cities Summit in November. Asked them to look it over and let him know if interested in attending.
- In response to Bakers question about city lots, Rigg stated the HRA could submit their proposal for these lots.

APPROVAL OF CLAIMS

A. Resolution 26-064 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 Christensen. On voice vote, the following councilors voted in favor of said motion: Christensen, Baker, Herman, Olson, Van Beek, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 26-064
Included with these minutes)

Councilor Christensen motioned for adjournment; Councilor Van Beek seconded. That there being no further business, the Council meeting adjourns until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Monday, April 10, 2026. On a voice call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed, and the meeting adjourned.

ADJOURNMENT: 7:49 PM

Mayor Rich Murray

Karla Tukua
Secretary Pro Tem