

City Council Minutes  
May 5, 2025

The Fergus Falls City Council held a regular meeting on Monday May 5, 2025, at 5:30 pm in the City Council Chambers. Pastor Duane Smith gave the invocation, and the Pledge of Allegiance was recited. Mayor Hicks called the meeting to order at 5:32 pm and the following council members were in attendance: Kremeier, Mortenson, Rachels, Kilde, Fish, Job, Kvamme and Leighton.

**Open Forum**

- Robyn Foss asked the council to adopt a code of conduct. She felt their disruptive and dysfunctional nature is thwarting economic development efforts and the residents and businesses deserve responsible ethical behavior from their elected officials.
- Duane Cookman felt there was good dialogue within the council and varied opinions should be welcomed. He blamed the previous council for decisions on the mall, TIF and DeLagoon saying those actions are forcing the new council to play “catch up”. He encouraged brushing up on parliamentary procedure and his issues with cannabis and the DeLagoon Park project.
- Sarah Duffy asked Al Kremeier why he did not attend the Board of Equalization meeting on April 24 which left Ward 3 unrepresented. He said his work schedule interfered. He was encouraged to fulfill his obligations to the city.

**Approval of the Agenda**

A motion and second were made by Rachels and Job to approve tonight’s agenda with the removal of two items from the consent agenda and the motion carried.

**Proclamation: Small Business Week**

Mayor Hicks read a proclamation declaring May 4-10 as Small Business Week.

**Consent Agenda**

The following items were approved under **Resolution #77-2025** by Fish: Motion approving the minutes from the open and closed April 21, 2025, City Council meetings, the April 30, 2025, Committee of the Whole meeting and the April 24, 2025, Board of Equalization meeting. Motion approving the following licenses: Chickens Samantha Thacker/Oberto 1414 W Douglas Ave; Valerie Thompson 510 Guttenberg Hts.; Chelsey Beilhartz/Ness 622 E Channing; Kari Foire 1420 S Sherman St; Ashley & David Armstrong 802 Woodland Loop; Devin & Shonna Lien 2941 Lakewood Drive; Mobile Food Vendor Cooler Treats, Ruby’s Pinoy Food, Los Jarocho Mexican Food, Stony Brook Donut Company, ABC Brewing LLC, Dang! That’s Good; Minnesota Lawful Gambling Permit Underwood Rockets Trap Booster Club for a raffle on June 7 at the I-94 Speedway; Fireworks Sales Walmart for sales May 5-July 8, 2025. **Resolution #78-2028** accepting a \$2,500 grant for the Fergus Falls Public Library from West Central Initiative to support the library’s tutoring program and approving the related budget adjustments. **Resolution #79-2025** approving a Conditional Use Permit to construct a 90’ telecommunications monopole in a R-1 district located at 601 Randolph Avenue as requested by ISD 544. **Resolution #80-2025** delegating the Wetlands Conservation Act program duties to the Otter Tail County Land and Resource Management Department. **Resolution #81-2025** accepting the project plans and specifications for PI 5381, the 2025 mill and overlay project and authorizing the advertising of bids. **Resolution #82-2025** accepting the project plans and specifications for PI 5382, the 2025 seal coat project and authorizing the advertising of bids. **Resolution #83-2025** authorizing the Fergus Falls HRA to pursue a Planned Unit of Development for 801 W Stanton Ave.

Motion to hold monthly town hall meetings in the City Council Chambers and on a quarterly basis notice a town hall where a quorum of council members may attend. **Resolution #84-2025** accepting the plans and specifications and authorizing the advertisement of bids for the Lake Alice grit trap project. The resolution was seconded by Kilde and was adopted. Laurie Mullen asked the city to consider a community land trust for the Planned Unit of Development on Stanton Avenue (from the consent agenda). She also requested design standards and income limits be implemented.

### **Interim City Engineer**

Leighton requested a closed session to negotiate naming an interim city engineer. Mayor Hicks reminded him the city is without a City Engineer and someone with a Professional Engineer designation is necessary to receive state and federal funding. Tyson Hajicek was recommended as the Interim City Engineer so the city can proceed with projects. Kilde offered **Resolution #85-2025** appointing Tyson Hajicek of Moore Engineering as an Interim City Engineer, which was seconded by Kvamme, and the resolution was adopted on a 5-3 vote. Voting in favor were Rachels, Kilde, Fish, Job and Kvamme. Voting in opposition were Kremeier, Mortenson and Leighton.

### **Stantec Proposal for Regional Treatment Center**

Leighton asked why a presentation has not been provided for the request to reengage Stantec for the Regional Treatment Center. Staff clarified the purpose of the request is to have Stantec update the project budget and then present options for the council to consider using the remaining \$392,637 of state funds for the facility. Kvamme offered **Resolution #86-2025** authorizing staff to seek a proposal from Stantec for the Regional Treatment Center using the remaining state grant funds, which was seconded by Job and was adopted.

### **Ordinance 66, Eighth Series, Pylon Signs**

Ordinance 66, Eighth Series, Amending Chapter 154.173, Pylon Signs was adopted with Mortenson abstaining.

### **Resolution of Accounts**

Fish offered a resolution authorizing the payments and claims in the amount of \$870,339.44, which was seconded by Kilde and was adopted.

### **TIF District 4-10 Assignment**

On April 21, the council approved a resolution approving and authorizing the execution of assignment and assumption of rights and obligations agreement from Sunset Ridge Apartments of Fergus Falls, LLLP to Fergus Falls Apartment Developers LLC. The ownership structure and financing with Fannie Mae requires the buyer/assignee to make amendments to the assignment and this action will not have a budget impact. Rachels offered **Resolution #87-2025** approving and authorizing the execution of assignment and assumption of rights and obligations agreement and consenting to a collateral assignment of Tax Increment Note and Redevelopment Agreement, which was seconded by Fish and was adopted on a 5-3 vote. Voting in favor were Rachels, Kilde, Fish, Job and Kvamme. Voting in opposition were Kremeier, Mortenson and Leighton.

### **Rescind IUP Resolution for Sugar High**

On April 21 the council defeated a resolution for an Interim Use Permit (IUP) allowing Sugar High to operate a cannabis retail location at 112 E Washington Avenue. Rachels, as one of the dissenting voters brought a request to reconsider the IUP because he relied on information provided by council

member Mortenson regarding distances from parks and attractions that appeal to minors. Since learning the information stating the riverwalk and City Hall Park are attractions was generated from Google AI and the riverwalk was not considered as an attraction when the boundaries were established, Rachels offered **Resolution #88-2025** rescinding Resolution #75-2025, an Interim Use Permit for Sugar High located at 112 E Washington Avenue, which was seconded by Fish. Leighton said the former council set the language of 250 feet from a park and declared Spies Park an attraction for the community and the council should abide by the ordinance language. Mortenson stated he had been using the county's GIS mapping system. Spencer McGrew said Google and the county's mapping system are unreliable sources for measurements as it is not survey grade and only measurements gained from a trained surveyor should be used. The resolution was voted on and resulted in a 4-4 tie. Voting in favor were Rachels, Kilde, Fish and Job. Voting in opposition were Kremeier, Mortenson, Kvamme and Leighton. In the event of a tie, the Mayor votes and Mayor Hicks voted in favor. The resolution was rescinded.

#### **Rescind IUP Resolution for Elevate**

Kilde offered **Resolution #89-2025** rescinding Resolution #76-2025, an Interim Use Permit for Elevate at 214 W Lincoln Avenue, which was seconded by Fish and the vote resulted in a 4-4 tie. Voting in favor were Rachels, Kilde, Fish and Job. Voting in opposition were Kremeier, Mortenson, Kvamme and Leighton. In the event of a tie, the Mayor votes and Mayor Hicks voted in favor. The resolution was rescinded.

#### **Interim Use Permit at 112 E Washington**

Rachels offered **Resolution #90-2025** approving an Interim Use Permit for Sugar High located at 112 E Washington Avenue with the following conditions: a five-year timeframe for the Interim Use Permit; written consent of the tenants for the housing located above the retail establishment; business hours are limited to 10 am – 8 pm; no consumption on site, including samples. The resolution was seconded by Fish. Mortenson and Kvamme asked the council to consider an amendment to seek the written consent of adjacent wall businesses owners which was not accepted.

- Lish Jones stated her business is adjacent to Elevate and there are no disruptive noise or smells.
- Robyn Foss asked the council to consider more than their personal beliefs as medicinal cannabis is vital to many people. She encouraged the council to support these businesses and the cannabis derivate beverages sold at the downtown liquor store is even closer to Spies Park.
- Al Frank spoke about the effects of marijuana he saw in his years of work in law enforcement.
- Emily McCune spoke as co-owner of Sugar High saying it is unfair for the council to use personal bias and making changes and additional hoops to zoning issue make it hard for her business to succeed.
- Mike Donoho called out the irony of a council proclamation supporting small businesses and now opposing local small business owners. He spoke of his chronic pain and the necessity to travel outstate to get the medicinal medication. He spoke about the due diligence businesses have gone through and felt the city selling hemp-derived beverages from a location even closer to a city park is a dichotomy.
- Cecelie Cookman asked if the 250-foot distance can be amended and spoke about the family events that take place at Spies Park.
- Deborah Zachmann said the definition is an attraction regularly used by children.
- Kris Stach said he has run a compliant business for 2+ years and felt the council trying to drive their businesses out of downtown is a disservice to the community. There are no available

affordable rental locations in the B-6 or higher zones, and Spies Park cannot be designated as a park if they allow beer to be sold at special events.

- Kevin Anderson is not against cannabis, but he is against opposed to having a cannabis business next door. He expressed his concerns with odors, the common wall and felt this is unfair to their tenants.

Kilde said neither City Hall Park nor the riverwalk were considered attractions for minors and these businesses are trying to be compliant with the rules given to them. Kremeier said Community Development should have provided exact measurements, and the council is being asked to vote against their own ordinance. City Administrator Andrew Bremseth called Kremeier's comments inappropriate as it is unfair to scapegoat staff who have spent hundreds of hours on research and work on this issue. The distances are irrelevant as City Hall Park, the riverwalk and Spies Park were never identified as attractions to children during the months of discussion with the Planning Commission, Council Cannabis Committee and the City Council. Kvamme talked about the extensive discussions the Council Cannabis Committee spent on this issue, how the process works and ability for these businesses to be located within a B-6 zone or higher without an interim use permit. The resolution to allow an Interim Use Permit was called to a vote and resulted in a 4-4 tie. Voting in favor were Rachels, Kilde, Fish and Job. Voting in opposition were Kremeier, Mortenson, Kvamme and Leighton. The Mayor broke the tie and voted in favor making it a 5-4 vote.

#### **Interim Use Permit at 214 E Lincoln Ave**

Rachels offered **Resolution #91-2025** approving an Interim Use Permit for Elevate located at 214 W Lincoln Avenue with the following conditions: a five-year timeframe for the Interim Use Permit; business hours are limited to 10 am – 8 pm; no consumption on site, including samples. The resolution was seconded by Fish. It was clarified there are no tenants living above this location. Kvamme felt Elevate has played by the rules by not changing locations, the definition of an Interim Use Permit and the business choice to spend money on a temporary location. Kremeier and Mortenson said the 250-foot radius is much less and more lenient than other communities.

- Duane Cookman spoke about other zoning options
- Robyn Foss said the council is sending a message saying they don't support business or economic development
- Bob Noah said he is an expert in this culture and thanked the council for not rubber stamping this conversation
- Maya Stach said the liquor store is closer to Spies Park than Elevate is and spoke about the dangers of alcohol
- Emily McCune talked about the rental nature of Spies Park, how often this area is only used for parking and should not be called as an attraction for children
- Kris Stach thanked the city for their work as one of the first cities in the state to come up with a zoning ordinance, but the zoning language is restrictive as there are few available properties.

The resolution was voted upon and adopted in a 5-3 vote. Voting in favor were Rachels, Kilde, Fish, Job and Kvamme. Voting in opposition were Kremeier, Mortenson and Leighton.

#### **Council Comments**

- Kremeier referred to council action taken Jan 3, 2023, and felt Anthony Hicks is now voting in opposition of city ordinances.
- Mortenson reminded the council of the economic development work session on May 7.

- Rachels reserved his comments for town hall meetings.
- Kilde said attending the Reduce the Rancor event was helpful as it provided a non-partisan perspective on respectful conversations.
- Fish spoke on behalf of American Legion to say thank you to the city for the new lights at the ballfield.
- Job felt the council should make decisions based on facts rather than emotions and spoke about the upcoming economic development work session.
- Kvamme asked for clarification on how the town hall meetings will be run and asked more definition to be provided.
- Leighton spoke about the perceived division of the council and said the actions of the past council lit the match to spark these changes. He wants deeper conversations about issues, eliminating unnecessary spending and lower real estate taxes.
- Hicks spoke about the distances used in the cannabis zoning ordinances and how attractions were defined. He reminded the council of the upcoming work session and invited the public to attend a public input session hosted by the Planning Commission regarding stand alone garages on May 27.

The meeting adjourned at 7:29 pm

*Lynne Olson*