

**CITY OF SAINT PETER, MINNESOTA**  
**OFFICIAL PROCEEDINGS**  
**MINUTES OF THE CITY COUNCIL MEETING**  
**SEPTEMBER 25, 2023**

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter was conducted in the Governors' Room of the Community Center.

A quorum present, Mayor Nowell called the meeting to order at 7:00 p.m. The following members were present: Keri Johnson, Darrell Pettis, Ben Ranft, Brad DeVos, Emily Bruflat, Dustin Sharstrom and Mayor Shanon Nowell. The following officials were also present: City Administrator Todd Prafke, City Attorney James Brandt, and City Engineer Jeff Domras.

**Approval of Agenda** – A motion was made by Johnson, seconded by Ranft, to approve the agenda. With all in favor, the agenda was approved.

**Approval of Minutes** – Councilmember Johnson requested that the word “muslin” be exchanged for “Muslim” in the section on Mayor’s reports. A motion was made by Bruflat, seconded by DeVos, to approve the minutes of the September 11, 2023 regular City Council meeting with the correction. With all in favor, the minutes were approved as corrected. A complete copy of the minutes of the September 11, 2023 regular City Council meeting is contained in the City Administrator’s book entitled Council Proceedings 20.

**Consent Agenda** – In motion by Ranft, seconded by Sharstrom, Resolution No. 2023–153 entitled “Resolution Approving Consent Agenda” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-153 is contained in the City Administrator’s book entitled Council Resolutions 24.

**2023 Preliminary Levy, Payable 2024** – Finance Director Vogel presented the proposed budgets and preliminary levy which included an increase in the projected tax rate from 47.69 to 49.56 and a total levy amount of \$4,048,323. Vogel cautioned that the final levy numbers would be calculated with updated market valuation information from Nicollet County later in the year and noted that under State law the final levy could be equal to or lower than the preliminary levy, but not higher.

Vogel spent significant time reviewing the various components of the proposed budgets for the General, Library and Community Center Funds budgets.

In motion by Ranft, seconded by Pettis, Resolution No. 2023-154 entitled “Resolution Adopting Preliminary 2023 Tax Levy Collectible In 2024” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-154 is contained in the City Administrator’s book entitled Council Resolutions 24.

**Revolving Loan Request: Go Property Management** – Community Development Director Baker presented the recommendation from the Economic Development Authority (EDA) to approve a revolving loan request in the amount of \$285,000 to provide partial financing for Go Property Management’s purchase of the Scholarship America property. Baker noted the EDA recommendation was to allow for the loan at seven percent (7%) interest with a one-year balloon payment and security provided by personal guaranties and life insurance policies (with City as beneficiary) on all of the owners; proof of tenant leases and letters of commitment from the private banks and Region Nine Development Commission for the remainder of the financing. Baker noted the business expects to add an additional thirteen employees and provide increased services compared to their current business.

Councilmember DeVos questioned whether the City would have first position on the mortgage for the land and Baker clarified it would be a first position on the north and west side land. DeVos expressed his opinion that the business would be “transformative” and “shine a light on St. Peter.”

In motion by DeVos, seconded by Sharstrom, Resolution No. 2023-155 entitled “Resolution Approving A \$285,000 Revolving Loan To Go Property Management To Partially Finance The Acquisition Of Real Estate At 1 Scholarship Way” was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-155 is contained in the City Administrator’s book entitled Council Resolutions 24.

**Revolving Loan Request: The Haven At Hallett’s** – Community Development Director Baker presented the Economic Development Authority (EDA) recommendation to approve a revolving loan application submitted by the owners of The Haven At Hallett’s which is a new holistic health and healing business that will soon locate in the strip mall building at 1042 Old Minnesota Avenue

at a start-up cost estimated to be \$100,000. Baker reported the EDA recommendation was to approve a \$30,000 loan at six percent (6%) interest, with a ten (10) year term and a balloon payment at five (5) years. Baker also stated the loan would be contingent upon both owners providing personal guarantees and life insurance policies naming the City as beneficiary in the amount of the loan and a UCC filing.

In motion by Johnson, seconded by Ranft, Resolution No. 2023-156 entitled "Resolution Approving A \$30,000 Revolving Loan To The Haven At Hallett's (1042 Old Minnesota Avenue) To Partially Finance New Business Start-up Costs" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-156 is contained in the City Administrator's book entitled Council Resolutions 24.

**ADA Grant Award: St. Peter Family Dental** – Community Development Director Baker reported that the ADA grant previously awarded to Go! Therapy would not be accepted by the applicants who would be relocating soon. Baker announced the EDA recommended an ADA accessibility grant in the amount of \$17,357 instead be provided to Broken Tooth Properties (St. Peter Family Dental) which was next on the funding priority list. In motion by Bruflat, seconded by Sharstrom, Resolution No. 2023-157 entitled "Resolution Approving Accessibility Improvement Grant For Broken Tooth Properties (dba St. Peter Family Dental)" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-157 is contained in the City Administrator's book entitled Council Resolutions 24.

**City Council Code of Conduct** – City Administrator Prafke presented the proposed City Council Code of Conduct which had been discussed numerous times by the City Council. Prafke noted that the document did not provide for operational rules of the Council, which are adopted at the beginning of each year, nor did it provide for punishment for members who may violate the Code other than censure by a super majority of the Council and removal from Council liaison assignments. Prafke reported that State law governs removal of an elected official from office under limited circumstances.

Councilmember Johnson questioned how the document would be used with new Councilmembers. Prafke responded that review of the Code would become part of the new Councilmember orientation process and would be brought for review before the full Council annually..

Mayor Nowell expressed her opinion that the Code would establish a high standard for how Councilmembers work with each other which would allow each member to focus on the work they had been elected to provide.

In motion by Ranft, seconded by Bruflat, Resolution No. 2023-158 entitled "Resolution Adopting City Council Code Of Conduct" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-158 is contained in the City Administrator's book entitled Council Resolutions 24.

**New Business License Applications** – City Administrator Prafke reported nothing had been found in the background investigations of the four partners of Paddlefish Brewery that would prevent issuance of On-Sale, Off-Sale, and Sunday Liquor licenses. In motion by DeVos, seconded by Pettis, Resolution No. 2023-159 entitled "Resolution Approving New Licenses" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-159 is contained in the City Administrator's book entitled Council Resolutions 24.

**Closed Session** – City Administrator Prafke requested a closed session as authorized under State Statute to discuss the possible sale of City owned property at 227 West Mulberry Street. In motion by Ranft, seconded by Johnson, Resolution No. 2023-160 entitled "Resolution Calling For Closed Session" was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-160 is contained in the City Administrator's book entitled Council Resolutions 24.

The Council recessed at 7:42 p.m. to clear the room.

The Council adjourned to closed session at 7:46 p.m. The closed session ended at 8:13 p.m.

The Council returned to open session at 8:17 p.m.

**Sale Of City-Owned Land (227 West Mulberry Street)** – City Administrator Prafke presented the proposed resolution for sale of the City owned property at 227 West Mulberry Street, which housed the old fire hall building, to Tremendous Brewing for the price of \$300,000. Prafke noted

that as recommended by the City Council, the Council decision was based on the impact the proposed business would have on the downtown, an increase in hospitality options, land use compatibility, the offer price, and increased tax base and utility usage.

Councilmember DeVos expressed his opposition to the proposed sale to Tremendous Brewing based on the Ale and Oven proposal being more detailed and women owned and noted that while the price submitted by Ale and Oven was less than that submitted by Tremendous, the build out price Ale and Oven was proposing was \$800,000. DeVos stated his belief that if the City Council truly stood for equity, accepting the proposal submitted by Ale and Oven was the best option for the community.

Councilmember Bruflat indicated that based on the equity issue, she had trouble offering her full support for the Tremendous proposal and encouraged the City to work hard to find a new home for the Islamic Center.

Councilmember Sharstrom stressed that it was had to ignore an additional \$250,000 in the Tremendous proposal over Ale and Oven and noted all three offers were good, but after talking to business leaders, he felt the new business should be tax generating.

Councilmember Johnson thanked all those who emailed the Council with their thoughts which challenged each member to consider various points about each proposal.

In motion by Sharstrom, seconded by Ranft, Resolution No. 2023-161 entitled "Resolution Authorizing Execution Of Purchase Agreement For Sale Of Fire Hall At 227 West Mulberry Street With Tremendous Brewing/Kurt Stoel" was introduced. Upon roll call, Councilmembers Sharstrom, Johnson, Pettis, Ranft and Mayor Nowell voting aye, Councilmembers Bruflat and DeVos voting nay, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2023-161 is contained in the City Administrator's book entitled Council Resolutions 24.

## **Reports**

**Mayor's Report** – Mayor Nowell had no reports.

**Councilmember Reports** – Councilmember Johnson encouraged Councilmembers to register to attend the REDA annual meeting at Gustavus on October 12th.

**House Capital Investment Bonding Bill Visit** – City Administrator Prafke reported that he would be speaking before the House Capital Investment Bonding committee at Minnesota State University Mankato on October 11th beginning at approximately 8:00 p.m. regarding the City's request for funding for Gorman Park

**Senate Housing Committee Tour** – City Administrator Prafke also noted that the Senate Housing Committee would be stopping in St. Peter on September 27th at approximately 3:30 to tour housing developments and to learn more about the City's success and challenges in providing housing options.

**Fire Station Open House** – City Administrator Prafke invited the public to attend the grand opening and ribbon cutting for the new Fire Station which will take place on October 14th from 10:00 a.m. – noon with a short program at 10:30 a.m.

There being no further business, a motion was made by Bruflat, seconded by Sharstrom, to adjourn. With all in favor, the motion carried and the meeting adjourned at 8:36 p.m.

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Shanon A. Nowell  
Mayor

ATTEST:

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Todd Prafke  
City Administrator