

MINUTES, REGULAR MEETING
CITY COUNCIL, CITY OF LA CRESCENT, MINNESOTA
JUNE 23, 2025

Pursuant to due call and notice thereof, the second meeting of the City Council of the City of La Crescent for the month of June was called to order by Mayor Mike Poellinger at 5:00 PM in the La Crescent Community Building, La Crescent, Minnesota, on Monday, June 23, 2025.

Upon a roll call taken and tallied by the City Clerk, the following members were present: Members Cherryl Jostad, Chris Langen, Teresa O'Donnell-Ebner, Dale Williams, and Mayor Mike Poellinger. Members absent: None. Also present were, City Administrator Bill Waller, City Attorney Skip Wieser, Public Works Director Tyler Benish, City Engineer Tim Hruska, Sustainability Coordinator Jason Ludwigson, Community Development Director Larry Kirch, and City Clerk Angie Boettcher.

Also present via Zoom was Tammy Omdal from Northland Securities.

ITEM 1 – CONSENT AGENDA

At this time, Mayor Poellinger read the following items to be considered as part of the Consent Agenda for this regular meeting:

- 1.1 MINUTES – JUNE 9, 2025
- 1.2 BILLS PAYABLE THROUGH JUNE 20, 2025

At the conclusion of the reading of the Consent Agenda, Mayor Poellinger asked if the Council wished to have any of the items removed from the Consent Agenda for further discussion.

Member Langen made a motion, seconded by Member O'Donnell-Ebner, as follows:

A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

2. PUBLIC HEARING/MEETING

At 5:00 pm Mayor Poellinger recessed the regular City Council meeting for the Public Hearing on the modification of the development program for municipal district no. 1, establishment of tax increment financing district no. 1-10, the proposed adoption of a tax increment financing plan and a business subsidy. Tammy Omdal from Northland Securities was present via Zoom and presented the information. There were no questions from the public.

The regular City Council meeting was reconvened at 5:09 pm.

City Council reviewed a Resolution approving the modification of the development program for municipal development district no. 1 and approving the establishment of tax increment financing district no. 1-10 within the development district and the adoption of the tax increment financing plan. It was recommended that City Council approve the Resolution. Following review and discussion, Member O'Donnell-Ebner introduced the following Resolution and moved its passage and adoption as follows:

RESOLUTION NO. 06-25-21

RESOLUTION APPROVING THE MODIFICATION OF THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. 1 AND APPROVING THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-10 WITHIN THE DEVELOPMENT DISTRICT AND THE ADOPTION OF THE TAX INCREMENT FINANCING PLAN RELATING TO THERETO

WHEREAS:

A. The City of La Crescent, Minnesota (the "City") has proposed (a) the modification of the Development Program for Municipal Development District No. 1 (the "Development District"); (b) the establishment of Tax Increment Financing District No. 1-10 (the "TIF District") within the Development District; and (c) the adoption of the Tax Increment Financing Plan (the "TIF Plan") relating to the TIF District all pursuant to Minnesota Statutes, Sections 469.124 through 469.133 and Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive, as amended (the "Act"); and

B. The City has performed all actions required by law to be performed prior to the establishment of the TIF District within the Development District and the adoption of the proposed Modified Development Program and TIF Plan relating to thereto, including, but not limited to, notification of Houston County and La Crescent-Hokah Public Schools (ISD No. 300) having taxing jurisdiction over the property to be included in the TIF District; and

D. The City Council of the City has fully reviewed the contents of the Development Program and the TIF Plan, and on this date conducted a public hearing thereon at which the views of all interested persons were heard.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Crecent as follows:

1. Development District No. 1. The modification of the Development Program for Development District No. 1 is approved and adopted.

2. Tax Increment Financing (Redevelopment) District No 1-10. Tax Increment Financing (Redevelopment) District No. 1-10 is hereby established within the Development District. The initial boundaries of the TIF District are fixed and determined as described in the TIF Plan.

3. Tax Increment Financing Plan. The TIF Plan is adopted as the tax increment financing plan for the TIF District.

4. Findings. In taking these actions, the City Council makes the following findings:

(a) The TIF District is a redevelopment district as defined in Minnesota

(b) Statutes, Section 469.174, Subd. 10. Parcels consisting of 70 percent of the area of the TIF District are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. The basis for these findings is described in Section 3.03.3 of the TIF Plan.

(c) The proposed redevelopment, in the opinion of the City Council, would not occur solely through private investment within the reasonably foreseeable future. The anticipated Developer for the project has represented to the City that it will not undertake the project as proposed without the City's use of tax increment financing. Previous City planning attests to the difficulty of redeveloping this site solely through private financing. Due to the necessity of removing structurally substandard buildings, preparing property for redevelopment, and constructing public improvements, the City Council finds that public financing assistance for the redevelopment activities proposed in the TIF Plan is necessary so that other development by private enterprise will occur within the Development District and the TIF District.

(d) The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed redevelopment after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above. Such analysis is found in Exhibit I of the TIF Plan, and indicates that the increase in estimated market value of the proposed redevelopment (less the indicated

subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

(e) The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the City as a whole. Section 3.02.2 of the TIF Plan contains information used in making this finding.

5. Public Purpose. The adoption of the Development Program for the Development and the TIF Plan for the TIF District conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the State which is already built up to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose and will afford maximum opportunity, consistent with the sound needs for the City as a whole, for the development or redevelopment of the project area by private enterprise in that the intent is to provide only that public assistance necessary to make the private developments financially feasible.

6. Certification and Filing. The City Administrator is authorized and directed to transmit a certified copy of this resolution together with a certified copy of the TIF Plan for the TIF District to the Auditor of Houston County with a request that the original tax capacity of the property within the TIF District be certified to the City pursuant to Section 469.177, Subd. 1 of the TIF Act, and to file a copy of the Development Program and the TIF Plan with the Minnesota Commissioner of Revenue and State Auditor as required by the Act.

7. Administration. The administration of the Development District and the TIF District is assigned to the City Administrator who shall from time to time be granted such powers and duties pursuant to the Act as the City Council may deem appropriate.

Adopted by the City Council of the City of La Crescent, Minnesota, this 23rd day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

The motion for adoption of the foregoing resolution was duly seconded by Member Williams and upon a roll call vote taken and tallied by the City Clerk, the following Members present voted in favor thereof, viz:

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

City Council reviewed a Resolution authorizing interfund loan for advance of certain costs in connection with tax increment financing district no. 1-10. It was recommended that City Council approve the Resolution. Following review and discussion, Member Williams introduced the following Resolution and moved its passage and adoption as follows:

CITY OF LA CRESCENT

RESOLUTION NO. 06-25-22

**AUTHORIZING INTERFUND LOAN FOR
ADVANCE OF CERTAIN COSTS
IN CONNECTION WITH TAX INCREMENT
FINANCING DISTRICT NO. 1-10**

BE IT RESOLVED By the City Council of the City of La Crescent, Minnesota (the “City”) as follows:

Section 1. Background.

1.01. The City of La Crescent (the “City”) has established Tax Increment Financing District No. 1-10 (the “TIF District”) within the Development District No. 1 (the "Development District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”) and Sections 469.124 to 469.134, as amended.

1.02. Subject to the approval by the City Council of the TIF District after a duly noticed public hearing on the date hereof, the City may incur certain costs related to the TIF District, which costs may be financed on a temporary basis from available City funds.

1.03. Under Section 469.178, Subdivision 7 of the TIF Act, the City is authorized to advance or loan money from any fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act.

1.04 The City has determined that it may be necessary to finance up to \$30,000 in administrative costs associated with the TIF District (the “Administrative Costs”) using City funds legally authorized for such purpose, and to reimburse such funds from tax increments from the TIF District when received

1.08. Accordingly, the City hereby designates the payment of Administrative Costs, as an interfund loan in accordance with the terms of this resolution and the TIF Act.

Section 2. Repayment of Interfund Loan.

2.01. The City hereby authorizes the advance of legally available City funds up to \$30,000 to reimburse the City for Administrative Costs, together with interest at the rate of 4% per annum (the “Interfund Loan”). Interest accrues on the principal amount from the date of closing on conveyance of the Development Property to the Developer under the Contract (hereafter, the “Closing Date”). The interest rate is no more than the greatest of the rate specified under Minnesota Statutes, Section 270C.40 and Section 549.09, both in effect for calendar year 2018, and will not be adjusted.

2.02. Principal and interest ("Payments") on the Interfund Loan shall be paid semi-annually on each August 1 and February 1 (each a “Payment Date”), commencing on the first Payment Date on which the City has Available Tax Increment (defined below), or on any other dates determined by the City Administrator, through the date of last receipt of tax increment from the TIF District.

2.03. Payments on the Interfund Loan will be made solely from Available Tax Increment, which is defined as 10% of tax increment from the TIF District received by the City from Houston County, Minnesota in the six-month period before any Payment Date. Payments shall be applied first to accrued interest, and then to unpaid principal. Simple interest will accrue from the Closing Date, unless otherwise specified by the City Administrator.

2.04. The principal sum and all accrued interest payable under this resolution is pre-payable in whole or in part at any time by the City without premium or penalty.

2.05. This resolution is evidence of an internal borrowing by the City in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. The Interfund Loan shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out

of Available Tax Increment. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.06. The City may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

2.07. The City may from time to time amend the terms of this Resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided that the interest rate may not be increased above the maximum specified in Section 469.178. subd. 7 of the TIF Act.

Section 3. Effective Date. This resolution is effective upon execution in full of the Contract.

Adopted by the City Council of the City of La Crescent, Minnesota, this 23rd day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

The motion for adoption of the foregoing resolution was duly seconded by Member Langen and upon a roll call vote taken and tallied by the City Clerk, the following Members present voted in favor thereof, viz:

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.1 – DEVELOPMENT AGREEMENT – TAX INCREMENT FINANCING DISTRICT NO. 1-10

City Attorney Wieser reviewed with City Council the development agreement with 7 Rivers Mechanical Properties, LLC. Attorney Wieser proposed two changes to the development agreement as follows:

1. Section 8.5 to state that the Developer agrees to reimburse City **one-half (1/2)** of the actual cost incurred by Northland Securities, Inc. Reimbursement to be made no later than July 15, 2025.
2. Article III, Section 3.1 to state that the TIF total of \$309,367 includes \$275,000 for land acquisition and \$34,367 for site improvements.

It was recommended that City Council approve a Resolution regarding the development agreement with the suggested changes and authorize the appropriate signatures. Following review and discussion, Member Williams introduced the following Resolution and moved its passage and adoption with suggested changes as follows:

RESOLUTION NO. 06-25-23

**RESOLUTION APPROVING DEVELOPMENT AGREEMENT
7 RIVERS MECHANICAL PROPERTIES, LLC**

A. WHEREAS, a Minnesota limited liability company (the "Developer") has requested that the City of La Crescent, Minnesota (the "City") assist with the financing of certain costs in connection with the construction of a commercial building with approximately 10,800 square feet including up to four residential housing units on the second floor which will be constructed on a parcel occupied by a substandard commercial building to be demolished and removed at 338 Main Street in the City (the "Project").

B. WHEREAS, the Developer and the City have determined to enter into a Development Agreement providing for the City's assistance in connection with the Project (the "Agreement").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Crescent, Minnesota, as follows:

1. The City Council hereby approves the Agreement in substantially the form submitted, and the City is hereby authorized to execute the Agreement.

2. The approval hereby given to the Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom, and additions thereto as may be necessary and appropriate and approved by the City officials authorized by a resolution of the City to execute the Agreement. The execution of the Agreement shall be conclusive evidence of the approval of the Agreement in accordance with the terms hereof.

ADOPTED this 23rd day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member O'Donnell-Ebner and upon a roll call vote taken and tallied by the City Clerk, the following Members present voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.2 – PINE CREEK IMPROVEMENT PROJECT BID RESULTS

City Engineer Hruska reviewed with City Council seven bid results for the Pine Creek improvement project which were opened at 10:00 a.m. on Tuesday, June 17, 2025.

- ACM LLC - \$329,473.00
- Barth Construction - \$342,414.65
- Ploetz Excavating LLC - \$417,592.60
- Sunram Construction, Inc. - \$429,109.00
- Nadeau Companies - \$441,427.00
- BKC Construction LLC - \$469,825.61
- Shoreline Landscaping & Contracting - \$976,566.30

It was recommended that City Council accept the low bid from ACM LLC, for \$329,473.00. Following discussion, Member Jostad made a motion, seconded by Member Langen as follows:

MOTION TO AWARD THE BID OF \$329,473 FROM ACM LLC, FOR THE PINE CREEK IMPROVEMENT PROJECT.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.3 – ENGINEERING AGREEMENT – PINE CREEK CONSTRUCTION PROJECT

City Engineer Hruska reviewed with City Council an amendment to the engineering agreement between the City of La Crescent and WHKS for the Pine Creek Improvement Project stating that the engineering costs incurred for construction administration and observation will be covered by grants or donated funds. It was recommended that City Council approve the amendment to the engineering agreement with WHKS. Following discussion, Member Langen made a motion, seconded by Member O'Donnell-Ebner as follows:

MOTION TO APPROVE THE AMENDED ENGINEERING CONTRACT BETWEEN THE CITY AND WHKS FOR THE PINE CREEK IMPROVEMENT PROJECT.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.4 – ENGINEERING AGREEMENT – REDWOOD STREET IMPROVEMENT PROJECT

City Council reviewed for approval an engineering agreement between the City of La Crescent and WHKS for the Redwood Street Improvement Project. The project is planned for construction in 2026. Engineering costs incurred in 2025 in advance of the bond issuance will be included in the 2026 bond issue.

The city has received just under \$1.25 million in grant funding for the project including a \$1.05 million Stormwater Implementation grant and a \$196,000 Safe Routes to School grant. The balance of the funding will come from Municipal State Aid funds and funding authorized under the City’s Street Reconstruction Plan. Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Langen as follows:

MOTION TO APPROVE THE ENGINEERING AGREEMENT BETWEEN THE CITY AND WHKS FOR THE 2026 REDWOOD STREET IMPROVEMENT PROJECT.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.5 – GRANT AGREEMENT – MPCA STORMWATER GRANT

Sustainability Coordinator Jason Ludwigson reviewed with City Council a grant agreement application that the City submitted to MPCA in 2025 for an Implementation Stormwater Grant to upsize the stormwater pipe in the Redwood Drive drainage area. The City was awarded \$1,052,430 for the grant. The funds will enable the City to upsize the stormwater pipe underneath Redwood Street East in conjunction with street replacement and SRTS sidewalk addition. This project is anticipated to be constructed in 2026. It was recommended that City Council approve the grant agreement between the City of La Crescent and the MPCA. Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Langen as follows:

MOTION TO APPROVE THE GRANT AGREEMENT BETWEEN THE CITY OF LA CRESCENT AND THE MPCA TO UPSIZE THE STORMWATER PIPE UNDERNEATH REDWOOD STREET EAST WITH FUNDS COMING FROM THE MPCA GRANT AWARD OF \$1,052,430.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |

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| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.6 – ENGINEERING AGREEMENT – MAPLE STREET IMPROVEMENT PROJECT

City Council reviewed for approval an engineering agreement between the City of La Crescent and WHKS for the Maple Street Improvement Project. The project is planned for 2026. Engineering costs incurred in 2025 in advance of the bond issuance will be included in the 2026 bond issue. The City has received \$363,366 in grant funding towards sidewalk infill and ADA ramp improvements on Maple Street and South 4th Street. The balance of the funding will come from Municipal State Aid funds and funding authorized under the City’s Street Reconstruction Plan. Following discussion, Member Langen made a motion, seconded by Member Jostad as follows:

MOTION TO APPROVE THE ENGINEERING AGREEMENT BETWEEN THE CITY OF LA CRESCENT AND WHKS FOR THE MAPLE STREET IMPROVEMENT PROJECT.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.7 – CONDITIONAL CANNABIS LICENSE APPLICATIONS

Justin Dunaskiss of Dunaskiss Consulting and Development Inc. provided an agenda request prior to the meeting and addressed City Council regarding cannabis retail license limitations in the City of La Crescent.

It was the consensus of the City Council at the June 9, 2025, City Council meeting to continue the discussion considering cannabis applications from Duki Holdings LLC to be located at 270 Strupp Ave, STE 101 and Happy Multiverse LLC to be located at 270 Strupp Ave, STE 102 to tonight’s meeting to allow time for further review. Attorney Wieser reviewed the Request for Waiver for the property located at 270 E. Strupp Ave submitted on November 27, 2024. Attorney Wieser reviewed options for City Council to contemplate regarding the application requests:

- City Council can move forward with approving one of the requests to fill the city’s final cannabis retail license.
- City Council could deny the applications based on the following findings:

Duki Holdings LLC for property located at 270 Strupp Avenue, Suite 101

1. On November 27, 2024, representatives for the property owner at 270 East Strupp Avenue, La Crescent requested a waiver (“Application”) from the Master Plan and PUD requirements for C-PD Commercial Planned Development overlay contained in Section 12.23 subd. 5 of the City Zoning Ordinance.
2. The Application requested to “construct a new ~ 12,000 square foot Cannabis Dispensary on the subject site and to utilize C-1 Zoning Standards to develop the site”. See pages 150-154 of the council packet. Based upon the language of the application, 270 Strupp was considered a singular dispensary.
3. On May 27, 2025, City of La Crescent approved High Hopes Ventures LLC request for retail registration for 270 Strupp Avenue, Suite 103.
4. The current request for retail registration at 270 Strupp Avenue, Suite 101, La Crescent would exceed the scope and extent of the requested waiver made by the property owner. In order to obtain additional retail registrations at 270 Strupp Avenue, the owner/developer will need to request an amendment to the waiver seeking approval to allow multiple locations.
5. Ordinance 588 adopted by the City of La Crescent on December 9, 2024, defines dispensary as “An entity in possession of a cannabis retailer license or otherwise authorized to acquire, possess, transfer, sell, dispense, or distribute products containing cannabis and related supplies and products pursuant to Minnesota Statutes, Chapter 342.”

Happy Multiverse LLC for property located at 270 Strupp Avenue, Suite 102

1. On November 27, 2024, representatives for the property owner at 270 East Strupp Avenue, La Crescent requested a waiver (“Application”) from the Master Plan and PUD requirements for C-PD Commercial Planned Development overlay contained in Section 12.23 subd. 5 of the City Zoning Ordinance.
2. The Application requested to “construct a new ~ 12,000 square foot Cannabis Dispensary on the subject site and to utilize C-1 Zoning Standards to develop the site”. See pages 150-154 of the council packet. Based upon the language of the application, 270 Strupp was considered a singular dispensary.
3. On May 27, 2025, City of La Crescent approved High Hopes Ventures LLC request for retail registration for 270 Strupp Avenue, Suite 103.
4. The current request for retail registration at 270 Strupp Avenue, Suite 102, La Crescent would exceed the scope and extent of the requested waiver made by the property owner. In

order to obtain additional retail registrations at 270 Strupp Avenue, the owner/developer will need to request an amendment to the waiver seeking approval to allow multiple locations.

5. Ordinance 588 adopted by the City of La Crescent on December 9, 2024, defines dispensary as “An entity in possession of a cannabis retailer license or otherwise authorized to acquire, possess, transfer, sell, dispense, or distribute products containing cannabis and related supplies and products pursuant to Minnesota Statutes, Chapter 342.”

Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Jostad as follows:

MOTION TO DENY THE CANNABIS RETAIL LICENSE APPLICATION FOR DUKI HOLDINGS LLC, AT 270 STRUPP AVENUE, SUITE 101, BASED ON THE STATED FINDINGS.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Langen as follows:

MOTION TO DENY THE CANNABIS RETAIL LICENSE APPLICATION FOR HAPPY MULTIVERSE LLC, AT 207 STRUPP AVENUE, SUITE 102, BASED ON THE STATED FINDINGS.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.8 – AUTHORIZE EXPENDITURE – PARK SIGNS

Sustainability Coordinator Jason Ludwigson reviewed with City Council a design for new park entrance signs. The City has been awarded a \$5,000 grant from the Statewide Health Improvement Partnership (SHIP) which will help fund the purchase of new signs for the city parks. It was recommended that City Council authorize \$4,152 to purchase four new park signs. Following discussion, Member Langen made a motion, seconded by Member O’Donnell-Ebner as follows:

MOTION TO AUTHORIZE THE EXPENDITURE OF \$4,152 TO PURCHASE FOUR NEW PARK ENTRANCE SIGNS WITH FUNDS COMING FROM THE \$5,000 GRANT AWARDED TO THE CITY FROM THE STATEWIDE HEALTH IMPROVEMENT PARTNERSHIP (SHIP).

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.9 – MPCA LOCAL ACTION PLANNING GRANT

Sustainability Coordinator Jason Ludwigson provided information to the City Council regarding a grant application submitted by the City of La Crescent to the MPCA in 2025 for a Local Climate Action plan. The FY25 Local Climate Action Planning Grant was awarded to the City for \$47,500.80. The City will be working with PaleBlueDot as the consultant to develop the plan in 2025 and 2026. A copy of the grant agreement was included. It was recommended that City Council approve the grant agreement between the City of La Crescent and the MPCA. Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE THE GRANT AGREEMENT BETWEEN THE CITY OF LA CRESCENT AND THE MPCA FOR THE CLIMATE ACTION AND RESILIENCE PLAN.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O’Donnell-Ebner | Yes |

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|------------------|-----|
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

ITEM 3.10 – DRAFT – TREE ORDINANCE

City Council reviewed a Tree Ordinance draft for the City of La Crescent. This was informational only and the ordinance will be brought back to a future city council meeting.

ITEM 3.11 – DRAFT – PARADE ORDINANCE

City Council reviewed a Parade Ordinance draft for the City of La Crescent. This was informational only and the ordinance will be brought back to a future city council meeting.

ITEM 3.12 – PERSONNEL COMMITTEE RECOMMENDATION

The Personnel Committee had the following recommendations for consideration by the City Council:

1. On July 1, 2025, Tyler Benish will have completed his second year of employment as the City’s Public Works Director. Mr. Benish continues to perform the functions and duties of this position in a positive manner. As the Public Works Director, Mr. Benish has worked to move numerous public improvement projects forward while also assuming responsibility for coordinating ongoing community activities. Based on his performance it is recommended that effective July 1, 2025, Mr. Benish be moved from step 3 to step 4 in the Public Works Director salary schedule. Following discussion, Member Langen made a motion, seconded by Member O’Donnell-Ebner as follows:

MOTION TO MOVE TYLER BENISH FROM STEP 3 TO STEP 4 IN THE PUBLIC WORKS DIRECTOR SALARY SCHEDULE EFFECTIVE JULY 1, 2025.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

2. On June 24, 2025, that the City Council promote Bill Kreibich to the position of Assistant Fire Chief. Mr. Kreibich will serve a 12-month probationary status as the Assistant Fire Chief. Mr. Kreibich has been on the La Crescent Fire Department since 2008 and is currently a Captain with the department. A letter from the Fire Chief regarding this recommendation was included. Following discussion, Member Jostad made a motion, seconded by Member Williams as follows:

MOTION TO PROMOTE BILL KREIBICH TO THE POSITION OF ASSISTANT FIRE CHIEF EFFECTIVE JUNE 24, 2025, WITH MR. KREIBICH SERVING A 12-MONTH PROBATIONARY STATUS.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |

and Mayor Poellinger abstained. The motion was declared duly carried by a 4-0 vote.

3. That City Council approve the internal posting for the position of Captain in the La Crescent Fire Department. A letter from the Fire Chief regarding this recommendation was included. Following discussion, Member Jostad made a motion, seconded by Member Williams as follows:

MOTION TO APPROVE THE INTERNAL POSTING FOR THE POSITION OF CAPTAIN IN THE LA CRESCENT FIRE DEPARTMENT.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mayor Poellinger | Yes |

and none voted against the same. The motion was declared duly carried.

6. STAFF CORRESPONDENCE/COMMITTEE UPDATES:

6.1 EXPLORE LA CROSSE

City Council reviewed the June 17, 2025, Explore La Crosse Board Meeting agenda and the May 20, 2025, Board Meeting minutes.

6.2

7. CHAMBER OF COMMERCE

Chamber of Commerce representative Tammy Stremcha was in attendance and provided an update.

There being no further business to come before the Council at this time, Member Langen made a motion, seconded by Member Williams to adjourn the meeting. Upon a roll call vote taken and tallied by the City Clerk, the following Members present voted in favor thereof, viz;

| | |
|------------------------|-----|
| Cherryl Jostad | Yes |
| Chris Langen | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams | Yes |
| Mike Poellinger | Yes |

and none voted against the same. The motion was declared duly carried and the meeting duly adjourned at 5:44 P.M.

APPROVAL DATE: July 14, 2025

SIGNED:

Mayor

ATTEST:

City Administrator