



MINUTES

Mankato City Council
Regular Meeting
September 8, 2025 - 6 p.m.
IGC - Mankato Room

1. Call Meeting to Order

Roll Call

Members Present: Mike Laven, Dennis Dieken, Michael McLaughlin, Jenn Melby-Kelley, Jessica Hatanpa, Kevin Mettler, and Mayor Najwa Massad.

Staff Present: City Manager Susan Arntz, Community Development Director Mark Konz, Economic Development Coordinator Courtney Kramlinger, Public Safety Director Jeremy Clifton, Associate Director of Public Safety Resources Jeff Bengtson, and City Clerk Renae Kopischke.

Pledge of Allegiance

2. Approval of Agenda

Mr. McLaughlin moved and Ms. Hatanpa seconded a motion to approve the agenda as written. The motion carried unanimously.

3. Approval of Minutes

Mr. Dieken moved and Mr. Mettler seconded a motion to approve the minutes of the Regular Meeting of August 25, 2025, as written. The motion carried unanimously.

4. Appearances, Recognition, and Proclamations

Presentation of the Citizen Life Saving Award for Ryan Berlin and Medical Intervention Awards for Firefighters Andrew Miller and Robert Atzenhoefer.

5. **Public Open Forum (15 Minutes)**

Benton Bakke, Mankato, expressed concerns related to the data center proposal and the Alternative Urban Areawide Review (AUAR) process. He mentioned the proposal and use of Mankato's water resources. He commented on capacity, maintenance, and demands required for such a facility. He urged the Council not to proceed with such a project.

6. **Consent Calendar**

NOTE: All items listed under the Consent Calendar will be enacted by one motion. There will be no separate discussion of these items. If a Council Member wishes to discuss any of these items, they may ask that the item be removed from the Consent Calendar. Removed item(s) will be discussed and acted upon by separate motion.

Ms. Arntz added item 6.N. Resolution authorizing the application for the Minnesota Chiefs of Police Foundation's Community Partnership Grant Program. Mr. Laven moved and Mr. Mettler seconded a motion to approve the Consent Calendar as amended. With all members voting in favor, the motion carried.

- A. Motion approving Proclamation designating September 17-23, 2025, as Constitution Week in the City of Mankato.
- B. Motion canceling the date of public hearing from September 8, 2025, as the date of public hearing for review of a rezoning of the subject property from Agriculture Transition to M-1, Light Industrial and to set September 22, 2025, as the date of public hearing to review the rezoning request (R430903200005); by request of AJK Mankato Holdings LLC.
- C. Motion approving the Preliminary Plat of Victory Ridge Apartments. The subject property is described as Outlot B, Kearney Addition No. 2; by request of Bolton and Menk, with permission of the property owner.
- D. Motion approving the Preliminary Plat of Mankato West High School Subdivision (1351 South Riverfront Drive); by request of Mankato Area Public Schools.
- E. Resolution authorizing submission for 2025 Edward Byrne Memorial Justice Assistance Grant (JAG), and motion approving Joint Agreement between the City of Mankato and Blue Earth County to share JAG Program Award.
- F. Motion approving Change Order 1 for Capital Improvement Project 11064; Cree Court Outfall.

- G. Motion approving contract amendment to Capital Improvement Project 11084; Victory Drive Signal and Lighting Improvements Project.
- H. Report on project and Change Order 1 for Capital Improvement Project 11114; Germania Park Phase 5.
- I. Report on project and Change Order 1 for Capital Improvement Project 11120; Woodshire Drive Reconstruction Project.
- J. Resolution considering bids on Capital Improvement Project 11001; Land of Memories Trail.
- K. Resolution authorizing the City Manager to execute an amended ground lease at Mankato Regional Airport
- L. Resolution authorizing the City Manager to execute a grant agreement for Federal funding of the Airport Traffic Control Tower Design (Phase 2) Grant (2025 BIL-AIG).
- M. Set October 14, 2025, as the date of the public hearing for the vacation of a portion of Ruth Street between the platted, improved 4th Street and the vacated 5th Street; by request of Widseth.
- N. Resolution authorizing the application for the Minnesota Chiefs of Police Foundation's Community Partnership Grant Program.

7. **Planning Commission**

- A. Mr. Konz reported that Rice Companies, the applicant, is requesting a Conditional Use Permit to allow unenclosed storage of materials, products, and equipment for an industrial and construction equipment business in the PI, Planned Industrial Zoning District, as well as the vacation of an existing utility easement located beneath the proposed building site. He stated that the applicant intends to construct a 10,000 sq. ft. building and outside storage area for "United Rentals," an industrial and construction equipment business to be located at 2416 Volk Avenue.

Mr. Konz indicated that the applicant will be required to notify the MPCA, of the installation of tanks. He noted that the tanks will also be enclosed by bollards to protect them from vehicles. He mentioned that while fueling of vehicles on-site has not been specified, if it is to occur, MPCA substance transfer area requirements may need to be met. He added that bollard-mounted charging receptacles are shown along a portion of the northern boundary of the unenclosed storage area.

Mr. Konz commented that exterior finishes will consist of prefinished metal paneling from Butler-Cote, in “Cool Majestic Blue” and “Cool Igloo White.” He noted that the PI District permits exterior wall finishes of factory-fabricated and finished metal-framed panel construction, glass, prefinished metal (excluding unpainted galvanized iron), or plastic.

Mr. Konz touched on the landscaping plan and explained that for storm water management, a limestone rip-rap swale is proposed along the northern and northwestern property boundaries, partially landscaped with ornamental trees, grasses, and shrubbery. He indicated that a storm water retention area is proposed on the northern portion of the property, west of the Lundin Boulevard driveway. He noted that the site plan includes curbing along the full boundary of the proposed parking, storage, and driving areas and that the City Code requires developments in planned industrial zones to include a 6-inch-high insurmountable curb around the perimeter of parking and driveway areas, with breaks permitted only for drainage.

Mr. Konz stated that United Rentals is described as “an equipment rental provider acting as a single-source solution for its customers by providing rental services and temporary machinery to the construction and industrial industries.” He explained that the facility will be used for sales, rentals, storage (indoor and outdoor), warehousing, maintenance, and repair of construction equipment, tools, and contractor supplies. Outdoor storage will be used for equipment such as scissor and boom lifts, forklifts, tele-handlers, mini excavators, skid steers, aerial platforms, and lighting equipment. He commented that they currently have 13 employees, and there is the potential for additional employment growth.

Mr. Konz reported that the applicant is also seeking the vacation of a 25-foot-wide utility easement located beneath the proposed building that overlaps with the existing driveway from Volk Avenue. He pointed out that the proposed vacation would remove 5,697 sq. ft. of easement while preserving the required 10-foot utility easement along the eastern property boundary. He stated that Xcel Energy has overhead utilities within the easement, and the applicant plans to work with Xcel to relocate or remove these utilities.

Ms. Hatanpa inquired about the possibility that there are unsealed wells on the property. Mr. Konz replied that based on the conditions, the applicant must investigate the site for unsealed wells and potential soil concerns, including remaining foundations or improper fill. He stated that if unsealed wells are found, they must be properly recorded and sealed in coordination with Blue Earth County.

Mr. Dieken moved and Mr. Mettler seconded a motion approving the Resolutions approving a Conditional Use Permit to allow unenclosed storage of materials, products and equipment in the PI, Planned Industrial District, and for an easement vacation (2416 Volk Avenue); by request of Rice Companies. The motion carried unanimously.

8. **Public Hearings**

- A. Ms. Kramlinger stated that on June 8, 2020, the Council adopted the City of Mankato 2020–2024 Consolidated Plan for the utilization of Community Development Block Grant (CDBG) funding that details how the funding will be used in conformance with CDBG guidelines. She indicated that the federal regulations that govern the program require two public hearings every year. She noted that the first hearing was to review the Action Plan for the coming year and the Consolidated Plan (when applicable), which was held by the City Council on May 27, 2025; and the second hearing was to review the program performance for the previous year, which is the subject of the requested action and summarized in a standardized format referred to as the Consolidated Annual Performance Evaluation Report or CAPER.

Ms. Kramlinger commented that the 2024 program year and fifth funding year of the plan ended on June 30, 2025. She reviewed the activities completed during the 2024 program as follows:

- Owner-occupied housing rehabilitation was completed on 6 dwelling units. This activity assists with preserving the City's affordable housing stock, removal of lead-based paint hazards, and improving living conditions for low to moderate-income households.
- Rental housing rehabilitation was completed on 8 dwelling units. This activity assists with preserving the City's affordable rental housing stock and improves living conditions for low-to moderate-income households.
- Public service grants were provided, benefitting 1,745 low-to moderate-income households to help meet identified needs for health services, food support, affordable childcare, senior services, and youth services. Matching grants were provided to Feeding Our Communities Partners, MSU public dental clinic, VINE Faith in Action, MY Place, Open Door Health Center, and Lutheran Social Service Crisis Nursery.
- Park improvements were completed at Lions Park for a new picnic shelter, improving the quality of life for a neighborhood with a high population of low to moderate income households.

Ms. Kramlinger added that CDBG funds from prior program years were spent assisting the following activities:

- Affordable housing: CDBG funds were used towards site acquisition costs for The Alma (formerly known as "Walnut Towers"). The developer, Trellis, was awarded Low Income Housing Tax Credits from Minnesota Housing to rehabilitate the existing building to preserve 86 units of affordable housing.
- Public services: a public service grant was provided to the Minnesota Council of Churches Refugee Services for their Tapestry program benefitting 18 low-income households. Additionally, subsistence payments were provided to 13 low-to moderate-income households to assist with past-due rent and utilities and rent deposit to prevent eviction and homelessness.

and activities underway, but not yet complete, included the following:

- Owner-occupied housing rehabilitation is underway on 5 dwelling units.
- Rental housing rehabilitation is underway on 4 dwelling units.
- Affordable housing: CDBG funds were used towards site acquisition costs. Construction of Lewis Lofts began in 2024 and was completed in spring 2025, which created 64 units of affordable senior housing. Leasing of the 64 units is currently underway. Once all 64 units are leased, the City will be able to report accomplishments on this activity.
- Park improvements to picnic shelters at Highland Park are underway.

She summarized the funds obligated and spent during the 2024 program year. She noted that the city has a total of eight years to expend funds from each program year.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Mr. Laven moved and Ms. Melby-Kelley seconded a motion authorizing submittal of the Consolidated Annual Performance Evaluation Report (CAPER) for the Community Development Block Grant (CDBG) Program. The motion carried unanimously.

- B. Mr. Konz stated that the Wrestling Brotherhood, with permission of the property owner, is requesting a variance from City Code Chapter 10, Sec. 10-169 to decrease the rear yard setback from the required 49.5 feet to 25.36 feet in the R-3, Limited Multiple-Family Dwelling District, and a conditional use permit to allow for a wrestling recreational facility in the R-3, Limited Multiple-Family Dwelling zoning district. The subject properties are located at 1416, 1420, and 1430 2nd Avenue and are legally described as Lots 3, 4, and 5, Block 16, Mankato City, Blue Earth County.

Mr. Konz noted that the northern two lots were formerly occupied by "Mac's Bar & Café", an establishment offering casual dining and beverages, and an accessory storage shed. He mentioned that in November 2011, a fire occurred at the establishment, and in 2013 the city issued a demolition permit for the removal of the structures and foundations; since demolition, the parcels have remained vacant.

Mr. Konz reported that on July 14, 2025, the Council approved a land use plan amendment to change the guided land use of the subject parcels from Light Industrial to Medium Density Residential. He added that on July 28, 2025, the Mankato Planning Commission recommended approval of a rezoning of the subject properties from M-1, Light Industrial, to R-3, Medium Density Residential. He noted that the R-3 zoning district identifies "golf courses, country clubs, and private recreational uses, all non-commercial" as conditional uses and the proposal seeks to establish a private recreational use—a wrestling facility—operated as a not-for-profit entity. He stated that the applicant has acknowledged the non-commercial nature of the facility, and a condition of approval is included to reinforce this operational limitation.

Mr. Konz commented that the facility will primarily serve local youth wrestling programs and will be used for training, practice, and skill development for children and teenagers. It will not function as a commercial gym or open recreational center. He mentioned that no retail operations, commercial services, or for-profit activities will occur at the site, and all future uses will be required to comply with the standards of the R-3 zoning district. He touched on access to the development, the structure and parking requirements as well as the utility connections.

Mr. Konz indicated that the applicant seeks a variance to reduce the rear yard setback from 49.5 feet to 25.36 feet. Minnesota Statute §462.357 Subd. 6(2) allows variances only when: (1) the variance is in harmony with the general intent and purpose of the ordinance; (2) the variance is consistent with the comprehensive plan; and (3) practical difficulties exist, meaning (a) the property can be reasonably used without the variance, (b) the circumstances are unique and not created by the landowner, and (c) the variance will not alter the essential character of the area. He reviewed the practical difficulties analysis.

Mr. McLaughlin recused himself from discussion and voting as he serves on the board for the organization.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Mr. Dieken moved and Mr. Mettler seconded a motion to approve the Ordinance rezoning of the properties from M-1, Light Industrial, to R-3, Limited Multiple Dwelling; Resolution approving a Conditional Use Permit to allow a recreational use; and for a Variance to reduce the rear setback to 25 feet in the R-3, Limited Multiple-Family Dwelling District (1416, 1420, and 1430 2nd Avenue). The motion carried seven to one; Mr. McLaughlin abstained from the vote.

- C. Mr. Konz stated that as part of Mankato's Strategic Plan and Housing Needs Analysis, the Mankato Economic Development Authority (EDA) directed staff to refine the city's development processes to better support community growth and address housing needs. He explained that this direction provides flexibility by allowing high-density residential uses in the Highway Business District.

Mr. Konz summarized that over the past three years, the city has reviewed nine Land Use Plan amendment applications for residential development and five of the applications required changing the designation from commercial to residential, all of which were approved. He commented that the current process—requiring both a Land Use Plan amendment and a rezoning—adds four to five months to the project timeline, which can delay project readiness and increase costs. He commented that the Housing Needs Analysis recommends “Fast Track Permitting Programs” to reduce delays and costs in the development process; thus, by adjusting land use and zoning approvals, the city can streamline reviews and reduce the timeline to approximately 60 days, creating a more efficient and predictable process for housing projects.

Mr. Konz stated that apartments are allowed in the Central Business District, Central Business District–Fringe, Community Business District, and Office Residential Districts, where mixed-use development is encouraged, and at present, the B-3, Highway Business District, limits residential uses. He noted that the proposed amendment would add apartments as a conditional use within the B-3 District.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Mr. McLaughlin moved and Ms. Hatanpa seconded a motion to approve the Ordinance amending Section 10-650 of the Mankato City Code to allow apartments as a conditional use in the B-3, Highway Business District and amending Section 10-659 to establish performance standards for the proposed ordinance amendment, including summary publication. The motion carried unanimously.

- D. Mr. Konz indicated that as part of Mankato's Strategic Plan and Housing Needs Analysis, the Mankato Economic Development Authority (EDA) directed staff to refine the city's development processes to better support community growth and address housing needs and recommended drafting an ordinance to amend the code to reduce the parking requirements from 2 parking stalls per unit to 1.5 parking stalls per unit.

Mr. Konz cited the American Planning Association Planning Advisory Service's "Planning Standards" document, which states, "Much recent parking literature argues that excessive parking supply discourages alternative modes of transportation, reduces density, increases the cost of development, creates an uninviting built environment, and degrades the natural environment (e.g., by increasing polluted stormwater runoff into area water bodies, increasing air pollution by inducing automobile travel, and contributing to urban heat islands)." He noted that parking requirements for multifamily housing have been raised in several recent proposals, with applicants citing reduced car ownership, greater transit access, and changing resident needs.

Mr. Konz explained that the Mankato City code currently reduces parking for uses in the Central Business District-Fringe (reduces parking by half) and Central Business District (does not require parking). He indicated that during the review of conditional use permits, the Council may adjust the parking requirements if it is determined an increase is required. He added that the Council had previously required additional parking based on the number of bedrooms in an apartment unit rather than the standard two parking stalls per unit.

Mr. Konz reported that the Planning Commission held significant discussion related to the proposed amendment that focused on whether it would be more appropriate to base the parking on the number of bedrooms rather than requiring 1.5 parking stalls per unit. Additional discussion was held related to guest parking. He stated that ultimately, the Planning Commission recommended the proposed parking change from 2 parking stalls to 1.5 parking stalls.

Mr. Konz concluded that based on a review of other communities, staff recommend reducing the requirement for apartment buildings to 1.5 stalls per unit. This adjustment would align with best practices and provide several benefits: more efficient land use, reduced stormwater runoff, lower development costs, and increased housing supply.

Mayor Massad opened the public hearing.

Wes Otto, 10 Browns Court, commented positively about the change.

Nathan Hermer, 304 Victoria Boulevard, stated he was glad that the city was taking a stance to strengthen residential housing opportunities.

Mayor Massad closed the public hearing.

Ms. Hatanpa moved and Mr. Mettler seconded an Ordinance amending Section 10-1630 and Section 7-88 Number 4 reducing parking requirements for multiple-family dwellings from 2 parking spaces to 1.5 parking spaces per unit, including summary publication. The motion carried unanimously.

- E. Ms. Arntz stated that in response to the state legislature's creation of Chapter 342 of the Minnesota Statutes, which established state licensing of cannabis businesses, including cannabis retailers, the City of Mankato adopted Ordinance O-2024-1125-7 to regulate retail sales in the City of Mankato.

Ms. Arntz commented that the Office of Cannabis Management ("Office"), the state agency created to license cannabis businesses, changed its licensing process in response to additional legislative changes made in the 2025 Legislative Session. She indicated that because of the changes enacted by the Office, staff reviewed the existing code as well as the State Statute and are proposing changes to the Business and Licensing section of the Mankato City Code. These changes are suggested to align with Minnesota State Statute and meet existing and foreseeable needs related to local registrations of cannabis retailers.

Brief discussion on the amendments and the process for licensing/registration.

Mayor Massad opened the public hearing. There being no one wishing to speak, Mayor Massad closed the public hearing.

Ms. Hatanpa moved and Mr. Laven seconded a motion to approve the Ordinance amending Business and Licensing related to Registration of Cannabis Retailers, including summary publication and Resolution amending the Fee Schedule. The motion carried unanimously.

9. **Council Business**

Ms. Arntz stated that she connected with Mr. Bakke following the Public Open Forum and clarified that Mankato was not part of the data center proposal and the Alternative Urban Areawide Review process. She added that Mankato also does not provide water resources to North Mankato, only wastewater.

10. **Reports and Miscellaneous Business**

View all city committee meetings by clicking on our [City Calendar](#)

Council Community Investment Plan Bus Tour, September 18, 2025, 5 p.m.

Regular Council Meeting, September 22, 2025, 6 p.m., Mankato Room
(with Work Session to follow)

Community Investment Plan Open House, September 25, 2025, 6 p.m. to
8 p.m., Mankato Room

Work Session, October 6, 2025, 6 p.m., Minnesota River Room

11. **Adjournment**

There being no further business, Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 7:01 p.m.

Minutes Approved.

Mayor Massad

ATTEST:

Renae Kopischke
City Clerk