AGENDA
CITY COUNCIL SPECIAL SESSION
October 29, 2026
5:00 PM

I. Call to Order

II. Agenda

II.A Agenda
Summary Report
10-29-26 Agenda Special Council Meeting.DOCX

III. Business to be discussed and Possible Action

III.A Discussion regarding Council Salaries, Ordinance, etc.;
Summary Report
DOCSOPEN-#1125932-v1-Temporary_Council_Salary_Reduction_Ordinance.docx

III.B Discussion regarding Grocery Store Abatement Assistance and Process
Summary Report
DOCSOPEN-#1125610-v2-Resolution_approving_property_tax_abatement_for_Kenyon_Market.docx
DOCSOPEN-#1125602-v3-Notice_of_Public_Hearing_for_Abatement.docx

III.C Fire Department Appointments:
Owen Craig
Blake Waltman
Blake Mills
Micah Johnson
Reuben Johnson

Summary Report

III.D Discussion regarding Business Park, Electrical Service, Transformer, Compass, etc
Summary Report

III.E General Discussion:
1. Past Projects;
2. Future Projects;
3. Pending Matters;
4. General Issues;
5. Communication
6. Training Session

Summary Report

IV. Adjourn

AGENDA ITEM NO. II.A

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE: October 29, 2026

SUBMITTED BY: Holli Gudknecht, Administration

ITEM TYPE: Agenda

AGENDA SECTION: Agenda

SUBJECT: Agenda

SUGGESTED ACTION:

ATTACHMENTS:
10-29-26 Agenda Special Council Meeting.DOCX

CITY OF KENYON
KENYON, MINNESOTA

NOTICE OF SPECIAL CITY COUNCIL MEETING
Thursday, October 29, 2026
5:00 p.m.

NOTICE IS HEREBY GIVEN that the City of Kenyon City Council will hold a Special City Council Meeting pursuant to Minnesota Statutes section 13D.04, subdivision 2 on Thursday, October 29, 2026, commencing at 5:00 p.m., at City Hall, 709 Second Street, Kenyon, Minnesota for the following purposes:

1. Discussion regarding Council Salaries, Ordinance, etc.;
2. Discussion regarding Grocery Store Abatement Assistance and Process;
3. Fire Department Appointments;
4. Discussion regarding Business Park, Electrical Service, Transformer, Compass, etc.;
5. General Discussion:
    a. Past Projects;
    b. Future Projects;
    c. Pending Matters;
    d. General Issues;
    e. Communication; and
    f. Training Session.

/s/ Scott Lehner
Scott Lehner
City Administrator

DATED: October 23, 2026.

AGENDA ITEM NO. III.A

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE: October 29, 2026

SUBMITTED BY: Holli Gudknecht, Administration

ITEM TYPE: New Business

AGENDA SECTION: Business to be discussed and Possible Action

SUBJECT: Discussion regarding Council Salaries, Ordinance, etc.;

SUGGESTED ACTION:

ATTACHMENTS:
DOCSOPEN-#1125932-v1-Temporary_Council_Salary_Reduction_Ordinance.docx

ORDINANCE NO. ____

AN ORDINANCE TEMPORARILY REDUCING SALARIES PAYABLE TO THE MAYOR AND COUNCILMEMBERS

WHEREAS, Section 205.01 of Kenyon City Code establishes salaries for the Mayor and Councilmembers; and

WHEREAS, Minnesota Statute 415.11 authorizes the City Council to temporarily reduce Mayor and Councilmember salaries by ordinance, and provides that such change may take effect before the next succeeding municipal election; and

WHEREAS, any ordinance providing for a reduction in Mayor and Councilmember salaries under Minnesota Statute 415.11 shall be in effect for twelve months, unless another period of time is specified; and

WHEREAS, the City Council desires to temporarily reduce the salaries payable to the Mayor and Councilmembers.

THE CITY COUNCIL OF THE CITY OF KENYON, MINNESOTA, ORDAINS:

1. The recitals set forth above are incorporated into this Ordinance.
2. Pursuant to Minnesota Statute 415.11, Subd. 3, the City Council hereby temporarily reduces the salary payable to the Mayor to $0.00 per annum.
3. Pursuant to Minnesota Statute 415.11, Subd. 3., the City Council hereby temporarily reduces the salary payable to each member of the council to $0.00 per annum.
4. The reductions in salaries under this Ordinance shall be effective for a period of twelve (12) months from the date of passage of this Ordinance.

This Ordinance shall be in full force and effect upon its passage and publication.

Passed by the City Council of the City of Kenyon, Minnesota, this ___ day of November, 2026.

_____

ATTEST: Donald Kirchmann, Mayor

_____

Scott Lehner, City Administrator

(Published in the Kenyon Leader on November ___, 2026)

AGENDA ITEM NO. III.B

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE:	October 29, 2026
SUBMITTED BY:	Holli Gudknecht, Administration
ITEM TYPE:	New Business
AGENDA SECTION:	Business to be discussed and Possible Action
SUBJECT:	Discussion regarding Grocery Store Abatement Assistance and Process

SUGGESTED ACTION:

ATTACHMENTS:
DOCSOPEN-#1125610-v2-Resolution_approving_property_tax_abatement_for_Kenyon_Market.docx
DOCSOPEN-#1125602-v3-Notice_of_Public_Hearing_for_Abatement.docx

State of Minnesota
County of Goodhue

CITY OF KENYON

RESOLUTION #2026-____

APPROVE PROPERTY TAX ABATEMENT FOR CERTAIN PROPERTY
IN THE CITY OF KENYON

BE IT RESOLVED by the City Council (the "City Council") of the City of Kenyon, Minnesota (the "City") as follows:

Section 1. Recitals

1.01. Kenyon Markets, Inc. (the "Applicant" and the "Property Owner") operates and is considering updating and continuing to operate a grocery store building (the "Project") on property (the "Property") legally described in EXHIBIT A. The Applicant has requested financial assistance to offset a portion of the Project's costs, with the Applicant being the intended recipient of the financial assistance.

1.02. In order to provide the financial assistance related to the Project, the Applicant has requested the following assistance: a tax abatement from the City for up to ten years in the estimated amount of $40,000.00 (the City Abatement") pursuant to the Abatement Act, as hereinafter defined.

1.03. The City has determined a need to grant the City Abatement pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815 (the "Abatement Act") to reimburse the Applicant for pertinent costs associated with the Project on the Property.

1.04. The City Abatement shall be based upon a percentage of the existing property taxes prior to the proposed Project on the Property.

1.05. The proposed five-year City Abatement would be paid out in semi-annual installments of $4,000.00 over five years, with the first tax abatement payment starting in February 2027 and ending in August 2031, all in accordance with the schedule set forth in Exhibit B and incorporated into this Resolution as if fully set forth herein.

1.06. This City Council has reviewed information concerning the Applicant's request for financial assistance.

1.07. On the date hereof, the City Council conducted a duly noticed public hearing on the City Abatement proposed to be provided by the City to the Applicant at which the views of all interested persons were heard.

1.08. Pursuant to Minnesota Statutes Sections 116J.993 to 116J.995, as amended (the "Business Subsidy Act"), the City Abatement does not constitute a Business Subsidy as defined in the Business Subsidy Act.

Section 2. Findings

2.01. The recitals set forth above are incorporated into this Resolution as findings of the City Council.

2.02. It is hereby found and determined that the benefits to the City from the City Abatement will be at least equal to the costs to the City of the City Abatement, because (a) the City believes that the development to be facilitated is not reasonably likely to occur absent the City Abatement and the business subsidy provided by the City, and (b) the long-term taxes collected from the Property after termination of the City Abatement will exceed the amount of the City Abatement returned to the Applicant.

2.03. It is hereby found and determined that the City Abatement is in the public interest because such action will increase the tax base and retain employment in the City.

2.04. The City Abatement complies with the City's written Business Subsidy Policy.

Section 3. Actions Ratified; Abatement Approved

3.01. The City Council hereby ratifies all actions of the City's staff and consultants in arranging for approval of this Resolution in accordance with the Abatement Act.

3.02. Subject to the provisions of the Abatement Act, the City Abatement is hereby approved and adopted subject to the following terms and conditions:

(a) The term "City Abatement" means the real property taxes generated in any tax-payable year by extending the City's total tax rate for that year against the tax capacity of the Property in accordance with

this Resolution, excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statues, Chapter 473F, all as of January 2 in the prior year.

(b) The City Abatement will be paid by the City to the Applicant on the dates and in accordance with all the terms and conditions of this Resolution.

(c) In accordance with Section 469.1813, subdivision 8 of the Abatement Act, in no year shall the City Abatement, together with all other abatements approved by the City under the Act and paid in that year exceed the greater of 10% of the City's levy for that year or $200,000.00 (the "Abatement Cap"). The City may grant any other abatements permitted under the Abatement Act after the date of this Resolution, provided that to the extent the total abatements in any year exceed the Abatement Cap, the allocation of Abatement Cap to such other abatements is subordinate to the City Abatement granted pursuant to this Resolution.

(d) The proposed five-year City Abatement would be paid out in semi-annual installments of $4,000.00 over five years, with the first tax abatement payment starting in February 2027 and ending in August 2031, all in accordance with the schedule set forth in Exhibit B and incorporated into this Resolution as if fully set forth herein.

(e) The City Abatement shall be based upon a percentage of the existing property taxes prior to the proposed Project on the Property.

(f) The City Abatement is subject to modification in accordance with the Abatement Act, subject to the terms of this Resolution.

(g) In accordance with Section 469.1815 of the Abatement Act, the City will add to its levy in each year during the term of the City Abatement the total estimated amount of current year City Abatement granted under this Resolution.

(h) The City makes no warranties or representations regarding the amount or availability of the City Abatement.

(i) The City Abatement shall be provided to the Applicant pursuant to the terms and conditions of this Resolution as approved by the City Council.

3.03. Restrictions on City Abatement. The City Abatement granted pursuant to this Resolution shall not commence until the City and the Applicant mutually agree on the terms and conditions of the City Abatement.

Section 4. Implementation

4.01. The Mayor and the City Administrator are authorized and directed to execute and deliver any additional agreements, certificates or other documents that the City determines are necessary to implement this Resolution.

4.02. The City Council directs City staff to take any appropriate action and to prepare any appropriate documents to facilitate the directives of the City Council as set forth in this Resolution.

4.03. The Mayor, City staff, City attorney and City consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Section 5. Effective Date. This Resolution is effective upon adoption.

Date Adopted: November 10, 2026.

Kenyon City Council

_____

Don Kirchmann, Mayor

ATTEST:

_____

Scott Lehner, City Administrator

EXHIBIT A TO ABATEMENT RESOLUTION

THE PROPERTY

That real property in the City of Kenyon, County of Goodhue, State of Minnesota, legally described as follows:

[insert legal description]

EXHIBIT B TO ABATEMENT RESOLUTION

[Insert Abatement Schedule]

NOTICE OF PUBLIC HEARING
7:00 P.M.

CITY OF KENYON
GOODHUE COUNTY
STATE OF MINNESOTA

NOTICE IS HEREBY GIVEN that the City Council of the City of Kenyon, Minnesota (the "City"), will hold a public hearing on November 10, 2026 beginning at approximately 7:00 PM, or as soon thereafter as the matter may be heard, at the City Council Chambers located at 709 2nd Street, Kenyon, MN 55946 in the City on the proposal to abate certain property taxes under Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Act") levied by the City on all or a portion of the real property listed below (the "Abatement Parcel").

109 Red Wing Avenue
665400540

At the public hearing, the City Council will consider an abatement resolution authorizing an abatement in an amount not to exceed $40,000.00 representing all or a portion of the City's share of property taxes from the Abatement Property to be collected by the City over a maximum of 5 years. The purpose of the proposed abatement is to provide business assistance to Kenyon Markets, Inc., and/or an affiliated entity to be formed (the "Business") for the operation and redevelopment of its grocery store property in the City, and the creation and retention of jobs within the City (the "Project").

After the hearing, the City will consider adopting a resolution with the Business or an affiliated entity to be formed (the "Developer") under which the City will provide the proceeds of the abatement to the Developer in connection with the Project by the Developer. The assistance is not a "business subsidy" under Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Business Subsidy Law"). A summary of the proposed terms of the abatement is on file and available for public inspection at the office of the City Administrator at Kenyon City Hall during regular business hours.

Any person with a residence in the City or who is the owner of taxable property in the City may file a written complaint with the City if the City fails to comply with the Business Subsidy Law. No action may be filed against the City for the failure to comply unless a written complaint is filed.

The proposed abatement will not affect tax rates for the Abatement Property or otherwise impact the Abatement Property differently from other parcels in the City.

The City Council will give all persons who appear at, or submit comments in writing prior to, the hearing an opportunity to express their views with respect to the proposal.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF KENYON, MINNESOTA

By: _____
Scott Lehner, City Administrator

Dated: October 19, 2026.

AGENDA ITEM NO. III.C

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE:	October 29, 2026
SUBMITTED BY:	Holli Gudknecht, Administration
ITEM TYPE:	New Business
AGENDA SECTION:	Business to be discussed and Possible Action
SUBJECT:	Fire Department Appointments: Owen Craig Blake Waltman Blake Mills Micah Johnson Reuben Johnson
SUGGESTED ACTION:	Motion Needed
ATTACHMENTS:	

AGENDA ITEM NO. III.D

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE:	October 29, 2026
SUBMITTED BY:	Holli Gudknecht, Administration
ITEM TYPE:	New Business
AGENDA SECTION:	Business to be discussed and Possible Action
SUBJECT:	Discussion regarding Business Park, Electrical Service, Transformer, Compass, etc

SUGGESTED ACTION:

ATTACHMENTS:

AGENDA ITEM NO. III.E

Agenda Item Summary

CITY COUNCIL AGENDA ITEM REPORT

DATE: October 29, 2026

SUBMITTED BY: Holli Gudknecht, Administration

ITEM TYPE: New Business

AGENDA SECTION: Business to be discussed and Possible Action

SUBJECT: General Discussion:

1. Past Projects;
2. Future Projects;
3. Pending Matters;
4. General Issues;
5. Communication
6. Training Session

SUGGESTED ACTION:

ATTACHMENTS: