

**City of Mountain Lake  
Regular City Council Meeting  
Mountain Lake City Hall – 930 Third Ave  
Tuesday, February 22, 2022  
6:30 p.m.**

Members Present: Dean Janzen, Dana Kass, Darla Kruser, Andrew Ysker, Mike Nelson

City Staff Present: Michael Mueller City Administrator; Rob Anderson EDA Director

Others Present: Joel Hollerich, Doug Regehr

**Call to Order**

The meeting was called to order by Mayor Nelson at 6:30 p.m.

**Small Cities Development Grant Program Public Hearing**

Motion by Kruser, seconded by Kass, to close the meeting and open the public hearing. Motion carried 5– 0.

Joel Hollerich, Program and Lending Underwriter with the Southwest Minnesota Housing Partnership provided an overview of the SCDP application process and funding request of \$1,092,500.00. This will be leveraged with other funds from USDA Rural Development and The City of Mountain Lake for a total of up to \$1,387,500.00.

The application is for a comprehensive application and will focus on owner-occupied rehab for approximately 20 households for up to \$25,000 per unit, Single Family rental rehab for 8 units for up to \$25,000 per unit, duplex rental rehab for 4 units for up to \$12,500 per unit, and commercial rehab for 5 businesses up to \$40,000 per unit. All projects will focus on areas of health and safety, energy efficiency, accessibility, and environmental hazards. Financing for owner occupied projects will involve 0% deferred loans that will be forgiven over a ten-year period. Financing for rental projects will consist of a 0% deferred loan which will be forgiven over 5 years, and commercial financing will consist of a 0% deferred loan forgivable over 5 years and a 2% loan with required monthly payments amortized over 10 years. The program guidelines will set a maximum funding for property owners. All residential units within the city limits will be eligible for funding and a target area for commercial units was determined by city officials and identified areas with the most need for rehab funding.

As Program Lending Underwriter, Joel Hollerich will run the SCDP program and all matching funds including the application process, income verification and financing. He has 20+ yrs.in financial services experience. Shawn Nelson, Project Manager will do inspections and has been working with the SWMHP/SWBS for 7 yrs with 15+ yrs. previous experience in residential construction. Ali Joens, Director of Homeownership will make sure all Fair Housing

requirements apply and has been working with residential lending with the SWMHP since 2001; and Barb Kirchner, Construction Services Manager will help with the implementation process including Labor Standards, Environmental and general SCDP questions. Barb has been working with the SCDP program for over 20 years.

None of the properties are in a known historic district. Each individual property will be reviewed with the State Historic Preservation Office and any proposed rehab on a historic property will comply with federal regulations when undergoing rehab.

Upon approval of the application in June, the City of Mountain Lake will act as the legal sponsor and the SWMHP will then enter into an agreement with the City to administer the grant. Contracts and federal requirement clearance will take place in July and August. The program will open up to property owners to apply for funding in September and an informational meeting will be held for people to apply. Inspections/Scopes of work/Bidding will begin in October. Projects will then be accepted and proceeds to work issued in November. This will be a two-year repair program with project closeout in December 2024.

Hollerich requested action on the submittal of the Full Application.

Motion by Kruser, seconded by Kass, to close the public hearing and open the meeting. Motion carried 5– 0.

### **Approval of Agenda & Consent Agenda**

Motion by Kruser, seconded by Ysker, to add discussion of the Fire Hall to the agenda. Motion carried 5– 0. Motion by Kruser, seconded by Ysker to approve the agenda and consent agenda as amended. Motion carried 5– 0.

Bills: Checks #25800 – 25839, 779E – 780E

Payroll: Checks #66511 – 66543

Approve January 10 EDA Board Minutes

Approve January 10 Lake Commission Minutes

Approve January 11 Library Board Minutes, January Report, & January Expenditures

Approve January 20 Utilities Commission Minutes

Approve February 7 City Council Minutes

Approve Resolution #5-22 \$5000 Fire Relief Donation

### **Public**

No comments

### **City Attorney**

No update was given.

### **City Administrator**

Utility Commission ARPA Request

Discussion/Action – GIS

Discussion/Action – City Council Chairs  
Discussion – Fire Hall

Motion by Janzen, second by Kass to approve the Utility Commission ARPA Request of \$100,000 for replacing the sand filters. Motion carried 5 – 0. Motion by Kass, second by Kruser to approve the cemetery GIS migration project. Motion carried 5 – 0. Motion by Kass, second by Ysker to purchase 9 La-Z-Boy Alston Executive Chairs for the Council Chambers. Motion carried 5 – 0. Kruser provided an update on the Fire Hall, Representative Rod Hamilton will introduce our Fire Hall project in the 2022 bonding bill to request funding through the State of MN. Kruser discussed setting up a separate bank account, to receive donations and to earmark for the development of the Fire/ Ambulance Hall.

**3-Month Performance Evaluation of the City Administrator**

Motion by Kruser, second by Kass to close the meeting. Motion carried 5 – 0. Motion by Kruser, second by Kass to open the meeting. Motion carried 5 – 0.

The council provided the city administrator an evaluation on his performance.

**Adjourn**

The meeting was adjourned at 7:17 p.m.

ATTEST:

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Michael Mueller, Administrator/Clerk