

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
April 4, 2022
City Council Chambers

MEMBERS PRESENT: Mayor King. Council Members Paul Fischer, Rebecca Waller, Michael Postma, Jason Baskin, Oballa Oballa, Joyce Poshusta and Council Member-at-Large Jeff Austin

MEMBERS ABSENT:

STAFF PRESENT: City Administrator Craig Clark, Director of Administrative Services Tom Dankert and Police Chief David McKichan, Assistant City Engineer Mitch Wenum, Fire Chief Jim McCoy, Planning and Zoning Administrator Holly Wallace, Human Resources Director Trish Wiechmann and City Clerk Ann Kasel

APPEARING IN PERSON: Austin Daily Herald, Taggart Medgaarden

Mayor King opened the meeting at 6:01 p.m.

Item No. 1 – HRA Housing Project

Housing and Redevelopment Director Taggart Medgaarden stated the HRA and Three Rivers are working on an affordable housing development east of the post office. The project would consist of 39 apartments and would be a mix of 1-4 bedroom units. The project is applying for housing tax credits through Minnesota Housing as part of the funding on the project. Mr. Medgaarden stated the HRA already owns the property.

Director of Administrative Services Tom Dankert stated the City and HRA is trying to maximize matching funding dollars with Three Rivers. He stated there is over \$1,000,000 in the Building Fund allocated for housing projects. He requested a \$615,000 TIF loan through the City for the project. In addition, the Hormel Foundation has approved \$600,000 in funding for the project. He also requested a \$300,00 loan from the housing projecting funding. Mower County has pledged \$250,000 for the project. In addition, there is another \$540,000 that is unallocated from a TIF fund that can be allocated to this project. The HRA will also contribute \$80,000. The total project budget is \$16 million. The HRA will donate the property to the project.

The tax credits are applied for in July and the project will be reviewed and approved by the end of December or January. The HRA board has approved the project.

Mr. Medgaarden noted that the City scores very high for the tax credits. He noted there will be underground parking.

Moved by Council Member Oballa, seconded by Council Member Baskin, recommending approval of the proposed HRA Housing Project. Carried.

The item will be on the May 2, 2022 Council Agenda.

Added Item – Fire Apparatus Purchase

Fire Chief Jim McCoy stated the City is looking into purchasing a ladder truck in 2025 as set forth in the capital improvement plan. Chief McCoy recently received an updated from the manufacturer that the cost is \$1,645,000 with a 7% price increase scheduled for May 1, 2022. There are additional price increases coming with an estimated price of \$2,000,000 for purchase in 2025. The City could sign a purchase contract now with no money down for 2024 delivery and save approximately \$375,000.

Moved by Council Member-at-Large Austin, seconded by Council Member Baskin, recommending the execution of a contract with MacQueen/Pierce for a ladder truck.

The item will be on the April 18, 2022 Council Agenda.

Item No. 2 – Administrative Report

None.

Item No. 3 – Open Discussion

None.

Moved by Council Member Oballa, seconded by Council Member Postma, adjourning the meeting at 6:17 p.m.

Respectfully Submitted,

Ann M. Kasel
City Clerk

