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MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL
CC: JOSHUA M. TETZLAFF, CITY ADMINISTRATOR
FROM: KEN ONDICH, PLANNING / COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: SATISFACTION OF SCDP COMMERCIAL REHABILITATION PROGRAM
COMBINATION SECURITY AGREEMENT, NOTE, REPAYMENT AGREEMENT AND
LIEN
DATE: MAY 21, 2025

In 2017, the City was awarded a Small Cities grant for funds to use in the rehabilitation of commercial properties in the downtown area with a total of 8 commercial rehabilitations that were intended to be completed as part of the grant project. The terms of the agreements with property owners that participated in the program were that the grantee must repay a portion of the funds they received within 5 years (first half was a no interest forgivable loan) or 10 years (second half was a 2% interest loan with monthly payments being made) of the award if the property is sold. The repayment agreement is a lien on the property.

The property at 121 Main Street W. is being sold and they would like a lien release. Staff has verified that the lien(s) are fully satisfied at this time (Loan #2 was paid in full in 2017 and Loan #1 was forgiven in full in 2022).

Attached is a "Satisfaction of Repayment Agreement" document that should be approved and will be recorded by the property owner or their title company at their own expense.

Recommendation

Council approval of the attached "Satisfaction of Combination Security Agreement, Note, Repayment Agreement and Lien" for the SCDP Commercial Rehabilitation Program with Douglas and Patty Lau.

Attachments:

1. Satisfaction of Combination Security Agreement, Note, Repayment Agreement and Lien
2. SCDP Commercial Rehabilitation Program Combination Security Agreement, Note, Repayment Agreement and Lien