

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.**  
**BOARD OF DIRECTORS MEETING**  
**WEDNESDAY, MAY 29, 2019 –7:00 P.M.**

*City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> St, Norfolk, NE 68701*

The President and Board of Directors reserve the right to adjourn into closed session as per Section 84-1410 of the Nebraska Open Meetings Act.

**AGENDA**

- I. Call to Order:** Inform the public about the location of the Open Meetings Act and that it is accessible to the public (LB 898).
  
- II. Roll Call**
  
- III. Introduction of Guests**
  
- IV. Secretary’s Report**
  - A.** Consideration for approval of the May 29, 2019 Agenda
  - B.** Consideration to ratify actions taken and meeting minutes of the April 24, 2019, Board of Directors meeting
  
- V. Treasurer’s Report**
  - A.** Consideration for acceptance of the April 2019 Treasurer’s Report as presented
  
- VI. Action Items**
  - A.** Consideration for approval of applicant #101060 for housing rehabilitation funds up to the amount of \$25,000.00
  - B.** Consideration to write-off Pierce/Hadar/Hoskins Loan #6876723 in the amount of \$15,261.88
  
- VII. President/Board Comments**
  
- VIII. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be at 7:00 p.m. on Wednesday, June 26, 2019. The meeting will be held at the following location:

*City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> St, Norfolk, NE 68701*

- IX. Adjournment**

## NED, Inc Board Agenda

---

**Object:** Approve the May 29, 2019, meeting agenda.

**Contact Person:** Brittany O'Brien, Administrative Assistant

**For:** Action

---

**Explanation:** The May 29, 2019, agenda has been posted.

**Motion:** Consideration for approval of the May 29, 2019, meeting agenda.

Tina Biteghe Bi Ndong \_\_\_\_\_ John Lohr \_\_\_\_\_ Brad Albers \_\_\_\_\_ Mike Frank \_\_\_\_\_  
Jerry Engdahl \_\_\_\_\_ Shannon Stuchlik \_\_\_\_\_ Megan Weaver \_\_\_\_\_

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

## NED, Inc. Board Agenda

---

**Object:** To ratify actions taken and meeting minutes of the April 24, 2019, meeting

**Contact Person:** Brittany O'Brien, Administrative Assistant

**For:** Action

---

**Background:** A quorum was not available at the April 24, 2019, Board of Directors meeting.

**Explanation:**

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, APRIL 24, 2019 - 7:00 P.M.**

*City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> St, Norfolk, NE 68701*

**MINUTES**

**Ratification:** A quorum was not available. All actions will be ratified at the May 29, 2019, meeting.

- I. Call to Order:** The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:00 p.m. by Vice-President John F. Lohr. John F. Lohr informed the public about the location of the Open Meetings Act LB 898 and that it is accessible to the public.
- II. Roll Call:** NENEDD Fiscal Officer Kristen Rosner read roll call.

**Board Members Present:**

John F. Lohr, Vice President, NeighborWorks, Northeast Nebraska  
Brad Albers, Secretary/Treasurer, Business Owner  
Jerry Engdahl, Platte County Commissioner

**Board Members Absent:**

Tina Biteghe Bi Ndong, President, West Point Chamber of Commerce  
Megan Weaver, Wayne Community Housing Development Corporation  
Shannon Stuchlik, Midwest Bank of Pierce  
Mike Frank, Retired Northeast Community College

**Others Present:**

Thomas L. Higginbotham, NENEDD  
Jeff Christensen, NENEDD  
Kristen Rosner, NENEDD  
Martin Griffith, NENEDD  
Judy Joy, NENEDD  
Dick Pfeil, NENEDD Chairman, Norfolk City Council  
Rich Jablonski, NENEDD Vice Chairman, Columbus City Council  
Glen Ellis, NENEDD Board Member, Fremont City Council  
Judy Mutzenberger, NENEDD Board Member, Cuming County Commissioner

Doug Backens, Dodge County Supervisor

**III. Introduction of Guests:** Vice-President John F. Lohr asked everyone attending the meeting to introduce themselves to the group.

**IV. Secretary's Report**

**A. Consideration for approval of April 24, 2019 Agenda, and the February 27, 2019 Meeting Minutes:** NENEDD Fiscal Officer Kristen Rosner presented. Brad Albers made a motion to approve the April 24, 2019 agenda, and the February 27, 2019 meeting minutes. Jerry Engdahl seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**V. Treasurer's Report**

**A. Consideration for acceptance of February & March 2019 Treasurer's Report:** NENEDD Fiscal Officer Kristen Rosner presented the report. Jerry Engdahl made a motion to accept the February & March 2019 Treasurer's Report. Brad Albers seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**VI. Action Item**

**A. Consideration for approval for down payment assistance applicant #101554 in the amount of \$30,000.** NENEDD Housing Loan Specialist Judy Joy presented. NENEDD staff have reviewed the application and are recommending approval for down payment assistance in the amount of \$30,000 for applicant #101554. Brad Albers made a motion to approve applicant #101554 for down payment assistance in the amount of \$30,000. Jerry Engdahl seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**B. Consideration for approval of applicant #101520 for housing rehabilitation funds up to the amount of \$25,000.** NENEDD Housing Specialist Martin Griffith presented. The property is located in Genoa, 1360 square feet and cost of repairs per square foot is \$18.00. The house is structurally sound, in good condition, and, after repairs, will meet or exceed all of the required Minimum Rehabilitation Standards. The property is deemed economically feasible for the NED, Inc. Owner Occupied Housing Rehabilitation Program. Funding will be provided by NED, Inc. housing reuse funds. The loan will be 100% forgivable over 10 years. Brad Albers made a motion to approval applicant #101520 for housing rehabilitation funds up to the amount of \$25,000. Jerry Engdahl seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**C. Consideration for denial of applicant #101553 for housing rehabilitation funds up to the amount of \$40,020.** NENEDD Housing Specialist Martin Griffith presented. The property is located in Walthill, 950 square feet and the cost of repairs per square foot is \$42.00. The house under consideration is in considerable disrepair and is not structurally sound. The cost of repairs needed for this house to meet the required Minimum Rehabilitation Standards will greatly exceed the rehabilitation project cost limits listed in section 4.5 Economic Feasibility of the program guidelines. The funding source would be the Walthill OOR Housing Grant #16-HO-15069. Brad Albers made a motion to deny applicant #101553 for housing rehabilitation funds up to the amount of \$40,020. Jerry Engdahl seconded the

motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**D. Consideration for approval to write-off NED, Inc. loan #612017 in the amount of \$85,521.57.** NENEDD Business Loan Specialist Jeff Christensen presented. Loan #612017 was closed December 19, 2011, for \$100,000 to a trailer manufacturing business. The business closed in mid-2016 and was sold to another company from South Dakota in mid-2017. No payments have been made since January 2017. All real estate collateral has been foreclosed on by the bank (business and personal residence) and business personal property was sold to the SD company. As part of the sale it was understood that a royalty payment for each trailer sold would be paid towards all past due amounts owed to the IRS (\$34,000), Cedar Security Bank (\$1,137,00), Cedar Knox Public Power District (\$10,879), NED, Inc. (\$85,252), and the Nebraska Department of Economic Development (\$498,686). The only remaining collateral is a personal guaranty by the two members of the LLC. There have been numerous rescheduling agreements documented over the past 5 ½ years. NENEDD staff will attempt to collect the debt if royalty payments are ever paid. NENEDD staff and the Northeast RLF committee recommend writing off NED, Inc. loan #612017 in the amount of \$85,521.57. Brad Albers made a motion to write-off NED, Inc. loan #612017 in the amount of \$85,521.57. Jerry Engdahl seconded. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**E. Consideration for approval of a \$13,850 loan to CK Grill & Bar, LLC to purchase equipment damaged in the March 2019 flood and associated fees as presented and recommended by the NENEDD staff and the Northeast RLF Committee.** NENEDD Business Loan Specialist Jeff Christensen presented. In 2008, NED, Inc. received \$200,000 in disaster relief funds from USDA for 0.00% loans. Due to the recent flooding in our area, we will once again offer interest free funding for businesses that qualify. NED, Inc. recently closed a \$36,000 loan in December 2018 with CK Grill & Bar, LLC. Some major pieces of equipment were damaged in the flood. Jerry Engdahl made a motion to approve a \$13,850 loan to CK Grill & Bar, LLC to purchase equipment damaged in the March 2019 flood and associated fees as presented and recommended by NENEDD staff and the Northeast RLF Committee. Brad Albers seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

**F. Consideration for approval to appoint a 2019-2020 budget/nominating committee.** On an annual basis a budget committee are appointed to review and recommend to the full board the next fiscal year's budget as prepared by staff. On an annual basis a nominating committee is appointed to recommend new board members and new officers. Staff would like to combine these two committee's. Last fiscal year the budget committee consisted of John F. Lohr, Tina Biteghe Bi Ndong and Loren Kucera. The nominating committee consisted of Megan Weaver and Brad Albers. Jerry Engdahl, Brad Albers and John F. Lohr volunteered to serve on the budget/nominating committee. Brad Albers made a motion to appoint Jerry Engdahl, Brad Albers and John F. Lohr to the budget/nominating committee. Jerry Engdahl seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried.

## VIII. Discussion Items

A. NENEDD Fiscal Officer Kristen Rosner and Business Loan Specialist Jeff Christensen presented the quarterly loan review. All loan receivables for NED, Inc. funding sources on loans that have been closed were presented.

IX. **President/Board Comments:** None.

X. **Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, May 29, 2019, at 7:00 p.m. The meeting will be held at the following location:

*City of Norfolk Offices – Training Room, 309 N 5<sup>th</sup> St, Norfolk, NE 68701*

**Adjournment:** Jerry Engdahl made a motion to adjourn the meeting. Brad Albers seconded the motion. **AYES:** John F. Lohr, Brad Albers, Jerry Engdahl, **NAYS:** None. **ABSENT:** Shannon Stuchlik, Tina Biteghe Bi Ndong, Megan Weaver, and Mike Frank. Motion carried. NED, Inc. Vice-President John F. Lohr adjourned the meeting at 7:45 p.m.

**Motion:** Consideration to ratify actions taken and meeting minutes of the April 24, 2019, Board of Directors meeting.

Brad Albers \_\_\_\_\_ Mike Frank \_\_\_\_\_ Tina Biteghe Bi Ndong \_\_\_\_\_ Jerry Engdahl \_\_\_\_\_  
Shannon Stuchlik \_\_\_\_\_ John Lohr \_\_\_\_\_ Megan Weaver \_\_\_\_\_

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

**NED, Inc. Board Agenda**

---

**Object:** Acceptance of April 2019 Treasurer’s Report

**Contact Person:** Kristen Rosner, Fiscal Officer

**For:** Action

---

**Background:**

Northeast Economic Development, Inc.’s (NED, Inc) April 2019 Statement of Financial Position and the Statement of Revenues and Expenditures that reflect the monthly Budget, Actual and Budget Variance. Also stated is the Fiscal Year 2019 Budget for the nonaccrual accounts, July 1, 2018, through June 30, 2019, Actual, Budget Variance so far this fiscal year and Percent of the fiscal year 2019 Budget remaining.

**Explanation:**

**Additional Information:**

Business Loan Principal Received	34,119.96
Housing Rehab Principal Received	24,421.73
Down Payment Assistance (DPA) Principal Received	378.87
New Construction Principal Received	-
Business Loan Disbursements	28,870.60
Housing Rehab Loan Disbursements (1 home)	12,000.00
Down Payment Assistance (DPA) Loan Disbursements (1 home)	30,000.00
New Construction Loan Disbursement	-

**Housing Loan Payoffs:**

Loans 400520 & 400521: \$9,476.13

Loan 100428: \$8,778.93

**Business Loan Disbursements:**

Weiland, Inc., Norfolk, #617003: \$7,510.30

CK Grill & Bar, LLC, Columbus, #619009: \$13,850.00

**Motion:** Consideration for acceptance of the April 2019 Treasurer’s Report

Tina Biteghe Bi Ndong \_\_\_\_\_ John Lohr \_\_\_\_\_ Brad Albers \_\_\_\_\_ Mike Frank \_\_\_\_\_  
Jerry Engdahl \_\_\_\_\_ Shannon Stuchlik \_\_\_\_\_ Megan Weaver \_\_\_\_\_  
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

**NED, Inc.**  
**Statement of Financial Position - Unposted Transactions Included In Report**  
**As of 04/30/2019**

	<u>Current Period Balance</u>
<b>Assets</b>	
General Cash	
Cash in Bank-BF #1695334	1,547.27
Business RLF Cash	
IRP Loan Fund-BankFirst 7884171	110,043.15
RLF-BankFirst 7884203	24,995.89
IRP Loan Loss Reserve-BankFirst 7884195	10,453.88
RBEG Loans-BankFirst 7884203	112,985.59
NDO Loan Fund-Security Bank 229970	707.41
RMAP Loan Fund-BankFirst #7898549	53,043.86
#88841889-Midwest Bank-NEF Loan Loss Reserve	12,539.26
IRP #2 Loan Fund-Bank First #7898560	140,266.06
RMAP LLR Fund-BankFirst #8571	17,853.01
NDO Loan Fund-Security Bank 833851	99,337.71
NE Micro Loan-BankFirst #7911287	209,357.63
BF NDO Defederalized	838,356.28
#7911287 - NE Micro Loan #2	23,908.87
NED, Inc. Micro Funds #3 - 2018 Grant BF#7911287	6,069.25
#7884195 - IRP #2 Loan Loss Reserve	44,046.60
Housing Cash	
Trust DPA - EVB 3035418	15,422.19
HOME Rehab-BankFirst 7858547	283,594.23
Trust Rehab CD #882516-Midwest Bank	108,389.58
Trust Rehab Pinnacle 4400292230	128,945.88
HOME DPA - EVBT 3067890	5,327.96
HOME Rehab Pinnacle 4400292249	229,601.97
Trust Rehab BF 7930372	112,700.83
HUD/NENEDD Rehab BankFirst 7930383	113,297.33
Trust New Construction EVBT 3035418	20,827.28
Receivables	
Grants Receivable	12,167.50
Business RLF Notes Receivable	
Business RLF Notes Receivable	49,358.23
Business IRP Notes Receivable	168,321.50
IRP #2 Notes Receivable	633,752.38
NDO Business Notes Receivables	2,814,320.55
RMAP Business Notes Receivable	287,915.11
NE Micro Loan Receivable	478,370.22
Housing Notes Receivable	
DPA Notes Receivable	2,196,930.49
Regional Rehab Notes Receivable	1,090,037.38
Fixed Assets	
Furniture and Equipment	2,250.00
Accumulated Depreciation	(2,250.00)
Allowance for Uncollectibles	
Allowance for uncollectable losses	(3,241,803.88)
<b>Total Assets</b>	<b>7,212,988.45</b>
<b>Liabilities</b>	
Accounts Payable	
Accounts Payable	43,242.46
Notes Payable	
RMAP Loan Payable	351,872.13
NEF Loan Payable	70,224.80



**NED, Inc.**  
**Statement of Financial Position - Unposted Transactions Included In Report**  
**As of 04/30/2019**

	<u>Current Period Balance</u>
IRP Loan Payable	182,778.13
IRP #2 Loan Payable	<u>624,013.65</u>
Total Liabilities	<u>1,272,131.17</u>
Net Assets	
Other	<u>5,940,857.28</u>
Total Net Assets	<u>5,940,857.28</u>
Total Net Assets and Liabilities	<u><u>7,212,988.45</u></u>

**NED, Inc.**

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 04/01/2019 Through 04/30/2019**

		<b>Current Period Budget</b>	<b>Current Period Actual</b>	<b>Current Period Budget Variance</b>	<b>Total Budget - Original</b>	<b>Current Year Actual</b>	<b>Total Budget Variance</b>	<b>Percent Total Budget Remaining</b>
<b>Revenues</b>								
405	Bad Debt Recovery	3,916.66	0.00	(3,916.66)	47,000.00	83,650.00	36,650.00	77.98%
428	Down Payment Assistance Loan Processing Fee	79.66	478.00	398.34	956.00	1,912.00	956.00	100.00%
436	Microenterprise Management Revenue	421.33	0.00	(421.33)	5,056.00	0.00	(5,056.00)	(100.00)%
439	CDBG ED NDO RLF Contributions	41,666.66	14,553.49	(27,113.17)	500,000.00	353,614.70	(146,385.30)	(29.28)%
442	Microenterprise Lending Program Contributions	12,066.66	13,850.00	1,783.34	144,800.00	124,650.00	(20,150.00)	(13.92)%
443	USDA RMAP TA Funds	2,250.00	12,167.50	9,917.50	27,000.00	18,737.50	(8,262.50)	(30.60)%
444	Business Loan Closing Revenue	250.00	250.00	0.00	3,000.00	1,322.00	(1,678.00)	(55.93)%
451	Business Loan Interest	10,833.33	12,998.94	2,165.61	130,000.00	132,448.76	2,448.76	1.88%
452	Loan Late Fees	116.66	45.57	(71.09)	1,400.00	785.70	(614.30)	(43.88)%
453	Business Loan Processing Fee	500.00	200.00	(300.00)	6,000.00	1,930.00	(4,070.00)	(67.83)%
454	Annual Servicing Fees	1,000.00	2,178.54	1,178.54	12,000.00	12,195.62	195.62	1.63%
471	HO Rehab Interest	666.66	609.14	(57.52)	8,000.00	6,165.83	(1,834.17)	(22.93)%
490	Interest Income	1,166.66	3,427.95	2,261.29	14,000.00	32,918.44	18,918.44	135.13%
492	Contributions	333.33	0.00	(333.33)	4,000.00	2,218.49	(1,781.51)	(44.54)%
	<b>Total Revenues</b>	<b>75,267.61</b>	<b>60,759.13</b>	<b>(14,508.48)</b>	<b>903,212.00</b>	<b>772,549.04</b>	<b>(130,662.96)</b>	<b>(14.47)%</b>
<b>Expenditures</b>								
523	Office Supplies	16.66	0.00	16.66	200.00	0.00	200.00	100.00%
543	Bank Fees	8.33	15.00	(6.67)	100.00	145.00	(45.00)	(45.00)%
546	Lead Inspection Exp	41.66	0.00	41.66	500.00	0.00	500.00	100.00%
548	Loan Closing Expense	8.33	0.00	8.33	100.00	27.00	73.00	73.00%
557	Memberships	2.08	0.00	2.08	25.00	0.00	25.00	100.00%
560	Legal Services	100.00	0.00	100.00	1,200.00	0.00	1,200.00	100.00%
561	Audit Fees	572.08	0.00	572.08	6,865.00	5,985.00	880.00	12.82%
569	Other Professional Services	225.00	0.00	225.00	2,700.00	100.00	2,600.00	96.30%
573	Loan Interest Expense	1,458.33	780.72	677.61	17,500.00	16,022.25	1,477.75	8.44%
574	NENEDD Management Exp	14,583.33	23,144.66	(8,561.33)	175,000.00	178,746.91	(3,746.91)	(2.14)%
580	Loans Written Off	12,083.33	115,251.57	(103,168.24)	145,000.00	171,251.57	(26,251.57)	(18.10)%

**NED, Inc.**

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 04/01/2019 Through 04/30/2019**

		<u>Current Period Budget</u>	<u>Current Period Actual</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - Original</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>	<u>Percent Total Budget Remaining</u>
584	Rehab Loans Forgiven	3,425.00	2,509.32	915.68	41,100.00	28,336.43	12,763.57	31.05%
589	Invest Nebraska NDO RLF Contributions	1,491.66	1,488.10	3.56	17,900.00	14,881.00	3,019.00	16.87%
	Total Expenditures	<u>34,015.79</u>	<u>143,189.37</u>	<u>(109,173.58)</u>	<u>408,190.00</u>	<u>415,495.16</u>	<u>(7,305.16)</u>	<u>(1.79)%</u>
	Total Revenues Over (Under) Expenditures	<u>41,251.82</u>	<u>(82,430.24)</u>	<u>(123,682.06)</u>	<u>495,022.00</u>	<u>357,053.88</u>	<u>(137,968.12)</u>	<u>(27.87)%</u>

## NED, Inc. Board Agenda

---

**Object:** Recommendation to approve applicant # 101060 for owner occupied housing rehabilitation funds up to the amount of \$ 25,000.00

**Contact Person:** Martin Griffith

**For:** Action

---

**Background:** Level D (50% or Less Median Income & 62 Years or Over) – 100% Forgivable Loan up to 10 years

Property Location:	Columbus
House Square Footage:	1596
Cost of Repairs:	\$25,000.00
Cost per Square Foot:	\$16.00
Funding Source:	Columbus Reuse

**Explanation:** The house under consideration is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards, therefore is deemed economically feasible for the Columbus Owner Occupied Housing Rehabilitation Program. Funding will be provided by Columbus Reuse.

See list of repairs below.

### Repairs

Install total siding package.

Replace three electrical outlets with ground fault circuit interrupter outlets.

Replace six main floor windows with low E argon gas filled half inch insulated glass units.

Replace one exterior entry door.

Scrape and paint areas of deteriorated paint on interior of front porch and laundry room.

Install handrails on second story and basement stairs.

Install two smoke detectors and three combination smoke/carbon monoxide detectors.

Rehang/adjust second story bedroom doors to operate smoothly then scrape and paint doors and door frames.

Install electrical outlet and light switch cover plates where missing.

Install concrete pad on East side of converted side porch for trash receptacles.

Stabilize all deteriorated paint on interior surfaces.

Install walk-in bathtub or shower.

Add soil to low areas around foundation to create positive drainage of rainwater.

Clean debris from gutters.

This property is currently valued at - \$78,694.74

After rehabilitation property value - \$97,444.74

Current Mortgage - \$6,569.86

City of Columbus Lien Position - 2<sup>nd</sup>

### After Rehab Property Value Calculation:

**County: Platte**

**Tax Valuation: \$74,760.00**

**% of Value: 95%**

**100% RE Tax Valuation: \$78,694.4**

**Total Rehab Spent: \$25,000.00**

**75% of Rehab Spent: \$18,750.00**

**After Rehab Value: \$97,444.74**

**2018 tax year**  
(Pre-Rehab value)

Recommendation based on the condition of the house, cost of repairs, cost of repairs per square foot (Section 4.5 Economic Feasibility for Rehabilitation of the Housing Rehabilitation Guidelines), along with the after-rehabilitation value of house, balance of mortgage, and the lien position of the City of Columbus.

**Motion: Consideration for approval of applicant #101060 for housing rehabilitation funds up to the amount of \$25,000.00**

Tina Biteghe Bi Ndong \_\_\_\_\_ John Lohr \_\_\_\_\_ Brad Albers \_\_\_\_\_ Mike Frank \_\_\_\_\_  
Jerry Engdahl \_\_\_\_\_ Shannon Stuchlik \_\_\_\_\_ Megan Weaver \_\_\_\_\_  
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

Action Item VI. A

## NED, Inc. Board Agenda

---

**Object:** To Write-Off Pierce/Hadar/Hoskins Owner-Occupied Rehab Loan # 6876723

**Contact Person:** Kristen Rosner, NENEDD Fiscal Officer

**For:** Action

---

**Background:** This is an owner-occupied rehabilitation housing client that was part of the Pierce/Hoskins/Hadar grant. The loan closed in 2012 in the amount of \$24,870.74 as a payback loan. Loan payments totaling \$5,158.62 were received through January 2016. At that time, there was a request for a hardship review. One spouse had passed away and the surviving spouse decided to retire. The hardship review was approved, and the loan terms changed to 0% interest with 1/120<sup>th</sup> of the balance forgiven each month. The balance was \$21,342.31. Forgivable payments proceeded until the loan client passed away in July 2018 leaving a balance of \$16,184.66

**Explanation:** Wells Fargo held the mortgage on the property. A trustee's sale was held April 18, 2019, and the property sold for \$30,000. The proceeds received by the City of Pierce was \$922.78 leaving a balance on the loan of \$15,261.88.

NENEDD Staff recommends not pursuing the issue further and recommends writing-off the loan at a balance of \$15,261.88. The guidelines in place when this client was approved would allow for pursuing the outstanding amount through the remaining estate which is still in probate. The loan is now uncollateralized. The guidelines in place now do not allow for a judgment to be filed. This was approved in 2017. Pursuing a loan with a low-to-moderate income individual through the judgment process after the sale of the home at a loss is highly discouraged by the Nebraska Department of Economic Development.

The grant re-use plan states that the NED, Inc. Board of Directors is used as the housing board and this vote will be communicated as a recommendation to the City of Pierce City Council for their vote.

**Motion:** Consideration to write-off Pierce/Hadar/Hoskins Loan #6876723 in the amount of \$15,261.88.

Tina Biteghe Bi Ndong \_\_\_\_\_ John Lohr \_\_\_\_\_ Brad Albers \_\_\_\_\_ Mike Frank \_\_\_\_\_  
Jerry Engdahl \_\_\_\_\_ Shannon Stuchlik \_\_\_\_\_ Megan Weaver \_\_\_\_\_  
Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)