

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.**  
**BOARD OF DIRECTORS MEETING**  
**THURSDAY, JULY 26, 2018 – 1:15 P.M.**

*The Stables – 1909 Vicki Ln, 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 July 26, 2018 Agenda & June 27, 2018 Meeting Minutes (as posted)
- V. Treasurer’s Report**
  - A.** Consideration for acceptance of June 2018 Treasurer’s Report
- VI. Action Items**
  - A.** Consideration to waive the \$25.00 per square foot limit and for approval of applicant #101367 for housing rehabilitation funds up to the amount of \$25,000.00.
  - B.** Consideration for denial of applicant #101506 for housing rehabilitation funds up to the amount of \$33,250.00.
- VII. Discussion Items**
  - A.** Discuss the 2019-2024 NENEDD CEDS Timeline
- VIII. President/Board Comments**
- IX. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be at 7:00 p.m. on Wednesday, August 29, 2018. The meeting will be held at the City of Norfolk Office Building, 309 N. 5<sup>th</sup> St., Norfolk, Nebraska.
- X. Adjournment**

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

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**Object:** Consideration for approval of the July 26, 2018 meeting agenda and the June 27, 2018 meeting minutes.

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

**For:** Action

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**Explanation:** The July 26, 2018 agenda has been posted. The minutes from the June 27, 2018 meeting were posted.

**Motion:** Consideration for approval of the July 26, 2018 meeting agenda and the June 27, 2018 meeting minutes.

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

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**Object:** Acceptance of June 2018 Treasurer's Report

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

**For:** Action

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**Background:**

Northeast Economic Development, Inc.'s (NED, Inc) June 2018 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 2018 Budget for the nonaccrual accounts, July 1, 2017, through June 30, 2018, Actual, Budget Variance so far this fiscal year and Percent of the fiscal year 2018 Budget remaining.

**Explanation:**

**Additional Information:**

Business Loan Principal Received	38,087.39
Housing Rehab Principal Received	4,880.46
Down Payment Assistance (DPA) Principal Received	295.54
New Construction Principal Received	-
Business Loan Disbursements	436,588.20
Housing Rehab Loan Disbursements	-
Down Payment Assistance (DPA) Loan Disbursements (1)	\$15,000.00
New Construction Loan Disbursement	-

**Business Loan Payoffs:**

Client #612029: Ted's Covers and Tarps: \$5,211.37

Bad Debt Recovery from GAW Men's Store, Inc.: \$258.83

**Business Loan Disbursements**

Client #617003, Weiland, Inc., \$436,588.20

**Motion:** Consideration for acceptance of the June 2018 treasurer's report as presented.

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**  
**As of 06/30/2018**

	<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	95,458.73
RLF-BankFirst 7884203	26,704.91
IRP Loan Loss Reserve-BankFirst 7884195	15,420.84
RBEG Loans-BankFirst 7884203	123,871.97
NDO Loan Fund-Security Bank 229970	707.41
RMAP Loan Fund-BankFirst #7898549	52,057.64
#88841889-Midwest Bank-NEF Loan Loss Reserve	12,410.70
IRP #2 Loan Fund-Bank First #7898560	116,038.29
RMAP LLR Fund-BankFirst #8571	18,936.87
NDO Loan Fund-Security Bank 833851	91,627.30
NE Micro Loan-BankFirst #7911287	183,845.34
BF NDO Defederalized	618,348.49
#7911287 - NE Micro Loan #2	12,888.43
NED, Inc. Micro Funds #3 - 2018 Grant BF#7911287	381.10
#7884195 - IRP #2 Loan Loss Reserve	37,344.60
Housing Cash	
Trust DPA - EVB 3035418	61,621.46
HOME Rehab-BankFirst 7858547	294,597.21
HOME Rehab - CD #882514-Midwest Bank	107,180.25
Trust Rehab CD #882516-Midwest Bank	107,634.16
Trust Rehab Pinnacle 4400292230	126,727.02
HOME DPA - EVBT 3067890	10,140.75
HOME Rehab Pinnacle 4400292249	117,503.98
Trust Rehab BF 7930372	115,475.36
HUD/NENEDD Rehab BankFirst 7930383	115,298.95
Trust New Construction EVBT 3035418	21,852.14
Business RLF Notes Receivable	
Business RLF Notes Receivable	44,326.53
Business IRP Notes Receivable	184,426.16
IRP #2 Notes Receivable	792,272.35
NDO Business Notes Receivables	2,644,677.79
RMAP Business Notes Receivable	308,938.33
NE Micro Loan Receivable	382,854.22
Housing Notes Receivable	
DPA Notes Receivable	2,169,085.86
Regional Rehab Notes Receivable	1,143,198.51
Fixed Assets	
Furniture and Equipment	2,250.00
Accumulated Depreciation	(2,250.00)
Allowance for Uncollectibles	
Allowance for uncollectable losses	(3,019,437.09)
<b>Total Assets</b>	<b>7,135,963.83</b>
<b>Liabilities</b>	
Accounts Payable	
Accounts Payable	2,920.59
Notes Payable	
RMAP Loan Payable	374,304.86
NEF Loan Payable	104,666.44
IRP Loan Payable	191,476.37

**NED, Inc.**  
**Statement of Financial Position**  
**As of 06/30/2018**

	<u>Current Period Balance</u>
IRP #2 Loan Payable	649,358.07
Total Liabilities	<u>1,322,726.33</u>
Net Assets	
Other	5,813,237.50
Total Net Assets	<u>5,813,237.50</u>
Total Net Assets and Liabilities	<u><u>7,135,963.83</u></u>

**NED, Inc.**

**Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 06/01/2018 Through 06/30/2018**

		<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>
Revenues								
405	Bad Debt Recovery	3,916.63	258.83	(3,657.80)	47,000.00	117,228.83	70,228.83	149.42%
421	Housing Mgmt Rev	903.50	0.00	(903.50)	10,842.00	405.00	(10,437.00)	(96.26)%
425	Lead Based Paint Inspection	0.00	0.00	0.00	0.00	1,205.00	1,205.00	0.00%
427	General Admin Rev	1,143.12	0.00	(1,143.12)	13,717.00	2,265.00	(11,452.00)	(83.49)%
428	Down Payment Assistance Loan Processing Fee	79.63	478.00	398.37	956.00	5,258.00	4,302.00	450.00%
436	Microenterprise Management Revenue	779.62	0.00	(779.62)	9,355.00	6,069.30	(3,285.70)	(35.12)%
439	CDBG ED NDO RLF Contributions	41,666.74	307,769.22	266,102.48	500,000.00	471,097.96	(28,902.04)	(5.78)%
442	Microenterprise Lending Program Contributions	5,983.37	0.00	(5,983.37)	71,800.00	75,000.00	3,200.00	4.46%
443	USDA RMAP TA Funds	940.87	(0.03)	(940.90)	11,290.00	39,362.45	28,072.45	248.65%
444	Business Loan Closing Revenue	250.00	250.00	0.00	3,000.00	1,562.50	(1,437.50)	(47.92)%
447	Housing Rehab Contributions	15,713.88	0.00	(15,713.88)	188,567.00	188,567.00	0.00	0.00%
451	Business Loan Interest	10,833.37	12,360.09	1,526.72	130,000.00	157,502.45	27,502.45	21.16%
452	Loan Late Fees	100.00	35.92	(64.08)	1,200.00	860.34	(339.66)	(28.31)%
453	Business Loan Processing Fee	500.00	0.00	(500.00)	6,000.00	2,600.00	(3,400.00)	(56.67)%
454	Annual Servicing Fees	1,000.00	247.48	(752.52)	12,000.00	16,755.36	4,755.36	39.63%
471	HO Rehab Interest	666.63	608.69	(57.94)	8,000.00	7,667.49	(332.51)	(4.16)%
490	Interest Income	1,166.63	2,245.82	1,079.19	14,000.00	24,272.56	10,272.56	73.38%
492	Contributions	458.37	1,190.71	732.34	5,500.00	5,101.45	(398.55)	(7.25)%
	<b>Total Revenues</b>	<u>86,102.36</u>	<u>325,444.73</u>	<u>239,342.37</u>	<u>1,033,227.00</u>	<u>1,122,780.69</u>	<u>89,553.69</u>	<u>8.67%</u>
Expenditures								
523	Office Supplies	16.63	0.00	16.63	200.00	0.00	200.00	100.00%
543	Bank Fees	8.37	45.00	(36.63)	100.00	327.00	(227.00)	(227.00)%
546	Lead Inspection Exp	41.63	0.00	41.63	500.00	1,205.00	(705.00)	(141.00)%
548	Loan Closing Expense	150.00	0.00	150.00	1,800.00	29.00	1,771.00	98.39%
549	Housing Admin	903.50	0.00	903.50	10,842.00	600.00	10,242.00	94.47%
553	General Admin	1,143.12	2,135.94	(992.82)	13,717.00	15,475.83	(1,758.83)	(12.82)%

**NED, Inc.**  
**Statement of Revenues and Expenditures - Unposted Transactions Included In Report**  
**From 06/01/2018 Through 06/30/2018**

	<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>	
560	Legal Services	100.00	0.00	100.00	1,200.00	0.00	1,200.00	100.00%
561	Audit Fees	487.88	0.00	487.88	5,855.00	5,625.00	230.00	3.93%
569	Other Professional Services	225.00	0.00	225.00	2,700.00	0.00	2,700.00	100.00%
573	Loan Interest Expense	1,590.00	835.96	754.04	19,080.00	19,185.55	(105.55)	(0.55)%
574	NENEDD Management Exp	15,750.00	12,143.13	3,606.87	189,000.00	156,935.66	32,064.34	16.97%
577	Local RLF Contribution Expense	0.00	0.00	0.00	0.00	16,914.17	(16,914.17)	0.00%
580	Loans Written Off	12,083.37	15,000.00	(2,916.63)	145,000.00	267,180.00	(122,180.00)	(84.26)%
583	NC Subsidy Loans Forgiven	29.75	0.00	29.75	357.00	267.30	89.70	25.13%
584	Rehab Loans Forgiven	5,000.00	3,835.77	1,164.23	60,000.00	50,596.98	9,403.02	15.67%
589	Invest Nebraska NDO RLF Contributions	2,166.74	1,488.10	678.64	26,000.00	19,902.20	6,097.80	23.45%
594	Grant Contribution	0.00	0.00	0.00	0.00	735,085.83	(735,085.83)	0.00%
	<b>Total Expenditures</b>	<u>39,695.99</u>	<u>35,483.90</u>	<u>4,212.09</u>	<u>476,351.00</u>	<u>1,289,329.52</u>	<u>(812,978.52)</u>	<u>(170.67)%</u>
	<b>Total Revenues Over (Under) Expenditures</b>	<u><u>46,406.37</u></u>	<u><u>289,960.83</u></u>	<u><u>243,554.46</u></u>	<u><u>556,876.00</u></u>	<u><u>(166,548.83)</u></u>	<u><u>(723,424.83)</u></u>	<u><u>(129.91)%</u></u>

## NED, Inc. Board Agenda

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**Object:** Recommendation to approve applicant #101367 for owner occupied housing rehabilitation funds up to the amount of \$ 25,000.00

**Contact Person:** Martin Griffith

**For:** Action

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**Background:** Level D (50% or less of Area Median Income & 62 Years or over) – 100% Forgivable Loan up to 10 years

Property Location:	Plainview
House Square Footage:	736
Cost of Repairs:	\$25,000.00
Cost per Square Foot:	\$33.00
Funding Source:	NED, Inc. 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. Due to the small size of the house the cost of the repairs will exceed the \$25.00 per square foot limit listed in section 4.5-2 of the Housing Rehabilitation Program Guidelines. The Housing specialist requests that the board waive the \$25.00 per square foot limit, as it is in the opinion of the Housing Specialist that the rehabilitation of this house is economically feasible for the Housing Rehabilitation Program. Funding will be provided by NED, Inc. Reuse.

See list of repairs below.

### **Repairs**

- Replace roof coverings.
- Install seamless gutters to entire house.
- Install total siding package.
- Replace six electrical outlets with ground fault circuit interrupter outlets.
- Replace twelve windows with low E argon gas filled half inch insulated glass units.
- Install window wells on basement windows.
- Stabilize all deteriorated paint on interior surfaces
- Add soil to low areas around foundation to create positive drainage of rainwater and seed with grass.
- Install handrails on basement stairs.
- Replace rear entry door.
- Replace two storm doors
- Replace exterior access to crawl space.
- Remove and replace one section of sidewalk and one concrete slab.
- Install three smoke detectors and one combination smoke/carbon monoxide detector.

This property is currently valued at - \$12,363.16

After rehabilitation property value - \$31,113.16

Current Mortgage - None

NED, Inc. Lien Position – 1<sup>st</sup>



**After Rehab Property Value Calculation:**

**County: Pierce**

**Tax Valuation: \$11,745.00**

**% of Value: 95%**

**100% RE Tax Valuation: \$12,363.16**

(Pre-Rehab value)

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

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

**After-Rehab Value: \$31,113.16**

Recommendation based on the condition of the house, cost of repairs, (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 NED, Inc.

**Motion: Consideration to waive the \$25.00 per square foot limit and for approval of applicant #101367 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)

## NED, Inc. Board Agenda

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**Object:** Recommendation to deny applicant #101506 for owner occupied housing rehabilitation funds up to the amount of \$33,250.00

**Contact Person:** Martin Griffith

**For:** Action

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**Background:** 100% Forgivable Loan over 10 years

Property Location:	Walthill
House Square Footage:	924
Cost of Repairs:	\$33,250.00
Cost per Square Foot:	\$36.00
Funding Source:	Walthill OOR Housing Grant #16-HO-15069

**Explanation:** 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 for Rehabilitation) of the Housing Rehabilitation Program Guidelines. Therefore is deemed to be not economically feasible for the Housing Rehabilitation Program. See list of repairs below.

### Repairs

- Replace roof coverings.
- Install seamless gutters to entire house.
- Replace rotten fascia boards.
- Install total siding package.
- Re-install cover on electrical panel.
- Replace eleven windows with low E insulated glass units.
- Replace one basement bedroom window with egress type.
- Replace bathroom fixtures.
- Replace water damaged drywall in the ceilings of four rooms and bathroom walls.
- Repair frame of front door.
- Install two combination smoke/carbon monoxide detectors.
- Add soil against foundation to create positive drainage of rainwater.

This property is currently valued at \$11,500.00  
After rehabilitation property value \$36,437.50  
Current mortgage balance - None  
Village of Walthill Lien Position – 1<sup>st</sup>

### After Rehab Property Value Calculation:

**County:** Thurston

**Tax Valuation:** \$11,155.00

**% of Value:** 97% (Based on tax roll year) 2017

**100% RE Tax Valuation: \$11,500.00** (Pre-Rehab value)  
**Total Rehab Spent: \$33,250.00**  
**75% of Rehab Spent: \$24,937.50**  
**After Rehab Value: \$36,437.50**

Recommendation based on the condition of the house, cost of repairs and cost of repairs per square foot as per Section 4.5 (Economic Feasibility for Rehabilitation) of the Housing Rehabilitation Program Guidelines.

**Motion: Consideration for denial of applicant #101506 for housing rehabilitation funds up to the amount of \$33,250.00.**

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)

## NED, Inc. Board Agenda

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**Object:** Discuss the 2019-2024 NENEDD CEDS Timeline

**Contact Person:** Tina M. Engelbart, Deputy Director &  
Thomas L. Higginbotham, Jr., Executive Director

**For:** Discussion

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**Background:** NENEDD is required by the Economic Development Administration (EDA) to complete a Comprehensive Economic Development Strategy (CEDS) for the region every five years. The CEDS qualifies a region and the local governments in the region for potential EDA funding. A CEDS is designed to bring together the public and private sectors in the creation of an economic road-map to diversify and strengthen regional economies. The CEDS serves as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action and identifying investment priorities and funding sources.

**Explanation:** Below is our proposed timeline to complete this project. We will be utilizing both the NED, Inc. and NENEDD Boards of Directors as the CEDS Strategy Committee.

### 2019-2024 NENEDD CEDS Milestones & Timeline

<b>July - August 2018</b>	CEDS Kickoff/Community Survey through August 31st
<b>September 2018</b>	Public Workshops Begin to review survey results and gather additional feedback
<b>October 2018</b>	Steering Committee Meeting (Date TBD): Review Feedback from Surveys & Public Workshops
<b>October/November 2018</b>	Begin data analysis/CEDS Call for Projects/Draft SWOT/Action Plan & Criteria
<b>December 2018</b>	Steering Committee Meeting to provide feedback for CEDS draft
<b>January 2019</b>	Draft CEDS available for Public Comment Period
<b>February 2019</b>	Finalize CEDS
<b>March 2019</b>	Strategy Committee Meeting to review final CEDS & recommend approval to NENEDD Board of Directors
<b>March 27th NENEDD Board of Directors Meeting</b>	NENEDD Board of Directors Approves CEDS
<b>April 2019</b>	Submit CEDS to EDA (Actual due date of June 15, 2019) Publish CEDS