

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, NOVEMBER 20, 2019- 7:00 P.M.

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701
West Point Chamber of Commerce – 200 Anna Stalp Ave, West Point, NE 68788
City of Hartington Offices – Conference Room, 107 W State St, Hartington, NE 68739
The Wakefield Civic Center – 407 E 7th, Wakefield, NE 68784
City of Columbus Offices – 1st Floor Mayor’s Office, 2424 14th St, Columbus, NE 68601

MINUTES

I. Call to Order: The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:01 p.m. by NED, Inc. President John F. Lohr informed the public about the location of the Open Meetings Act LB 898 and that it was accessible to the public.

II. Roll Call: NENEDD Fiscal Officer, Kristen Rosner, read roll call.

Board Members Present:

John F. Lohr, President, City of Columbus (Columbus)
Jim McCarville, Secretary/Treasurer, Northeast Community College (Norfolk)
Jerry Engdahl, Platte County (Columbus)
Brad Albers, Vice President, Business Owner (Norfolk)
Megan Weaver, Wakefield Progressive, Inc. (Wakefield)
Shannon Stuchlik, Midwest Bank of Pierce (Norfolk)
Mike Frank, Retired Northeast Community College (Norfolk)

Board Members Absent:

None

Others Present:

Thomas L. Higginbotham, Jr., NENEDD (Columbus)
Tina M. Engelbart, NENEDD (Norfolk)
Kristen Rosner, NENEDD (Norfolk)
Jeff Christensen, NENEDD (Columbus)
Andrea Larson, NENEDD (Norfolk)
Troy Uhler, Madison County (Norfolk)
Gary Jackson, City of Norfolk (Norfolk)
Judy Mutzenberger, Cuming County (West Point)
Dan Kathol, Hartington Community Development Corporation (Hartington)
Tina Biteghe Bi Ndong, West Point Chamber of Commerce (West Point)

III. Introduction of Guests: NED, Inc. President John F. Lohr asked everyone attending the meeting to introduce themselves to the group.

IV. Secretary’s Report

A. Consideration for approval of the November 20, 2019 Agenda and the October 30, 2019 meeting minutes: Brad Albers made a motion to approve the November 20, 2019 agenda and the October 30, 2019 meeting minutes. Jerry Engdahl seconded the motion.

AYES: Jim McCarville, John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried.

V. Treasurer's Report

A. Consideration for acceptance of the October 2019 Treasurer's Report: NENEDD

Fiscal Officer Kristen Rosner presented the report. Jerry Engdahl made a motion to accept the October 2019 Treasurer's Report as presented. Shannon Stuchlik seconded the motion.

AYES: Jim McCarville, John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried.

VI. Action Items

A. Consideration for approval of a \$105,000 loan to L and P Monument and Design, LLC.

NENEDD Business Loan Specialist Jeff Christensen presented. Lynette Vesely and her son Lance Parsons have formed L and P Monument and Design, LLC and are planning the start of their own business providing headstones and monuments for cemeteries and for the purpose of capturing special events throughout the area. The project includes the construction of a new 60' x 80' x 16' building built along Hwy 15, two miles south of the Hwy 15/91 intersection in rural Colfax County; 1104 Road U. Total project costs are estimated to be \$389,860. NED, Inc. will lend \$105,000 to L and P Monument and Design, LLC for new building construction. The \$105,000 loan will have a term of 15 years at an interest rate of 5.00% (fixed). NED, Inc. will have a subordinate Deed of Trust on the business real estate and a UCC filing on the business property for the business in Colfax County. NED, Inc. will also require a life insurance assignment from Lance and Lynette each for the amount of the loan for the life of the loan. NED, Inc. will file a Deed of Trust on Lynette's personal residence in Woodbine, IA. This property is for sale and after it is sold NED, Inc. will release this lien and request that \$30,000 of the proceeds be deposited in an account for initial operations of the business until cash flow is established. Megan Weaver made a motion to approve a \$105,000 loan to L and P Monument and Design, LLC. Mike Frank seconded the motion. **AYES:** Jim McCarville, John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried.

B. Consideration for approval of a \$196,000 loan to Kurz & Wolfe Investments, LLC.

NENEDD Business Loan Specialist Jeff Christensen presented. Drs. Lance Kurz & Daniel "Jay" Wolfe each own 50% of the Countryside Veterinary Clinic Inc. in Fullerton. They each also own 50% of the real estate holding company Kurz & Wolfe Investments, LLC. They are planning to renovate and expand their facility located at 316 Grove Street. They are expanding with a 20' x 48' addition and adding a 2nd story to a portion of the existing building. They will also repair/replace the roof on the remaining portion of the existing building. Total project costs are \$490,000. NED, Inc. will lend \$196,000 to renovate and expand the commercial building located at 316 Grove St in Fullerton. The \$196,000 loan will have a term of 15 years at an interest rate of 5.00% (fixed). NED, Inc. will have a subordinate Deed of Trust on the commercial building owned by Kurz & Wolfe Investments, LLC and a UCC lien on the business personal property owned by Countryside Veterinary Clinic, Inc. NED, Inc. will file a Deed of Trust on the Kurz's personal residence in rural Nance County and Wolfe's personal residence in rural Merrick County. NED, Inc. will also require life insurance assignments from Dr.'s Kurz and Wolfe each for the amount of the loan for the life of the loan, personal guaranty provided by Dr. and Mrs. Lance Kurz and Dr. and Mrs. Daniel Wolfe, and a corporate guaranty by Countryside Veterinary Clinic, Inc. Shannon Stuchlik made a motion to approve a \$196,000 loan to Kurz & Wolfe Investments, LLC. Jim McCarville seconded the motion.

AYES: John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver, Jim McCarville and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried.

- C. Consideration for approval of NED, Inc.'s Microenterprise Loan Fund Program Guidelines and Procedures.** NENEDD Business Loan Specialist Jeff Christensen presented. NED, Inc. has applied and received three awards from Nebraska Department of Economic Development (DED) for Microenterprise Loan Funds and technical assistance through the Nebraska Business Innovation Act. NENEDD staff is preparing another application for \$500,000 in loan funds and \$20,000 technical assistance funding. NED, Inc. needs to update its guidelines and procedures for these funds. It was last updated in 2013. Changes include removing public infrastructure as an eligible activity and eliminating loan guaranties (as required by DED). The maximum loan amount for new loans with the grant is \$100,000 but the new guidelines would include adding "once revolved the maximum amount is \$200,000." The loan terms would be increased to a maximum of 25 years. Megan Weave made a motion to approve the NED, Inc.'s Microenterprise Loan Fund Program Guidelines and Procedures. Jerry Engdahl seconded the motion. **AYES:** Jim McCarville, John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried.

VII. President/Board Comments: None

VIII. Next Meeting Date: The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, December 18, 2019 at 7:00 p.m. The meeting will be held via conference call.

IX. Adjournment: Mike Frank made a motion to adjourn the meeting. Jim McCarville seconded the motion. **AYES:** Jim McCarville, John F. Lohr, Brad Albers, Mike Frank, Shannon Stuchlik, Megan Weaver and Jerry Engdahl. **NAYS:** None. **ABSENT:** None. Motion carried. NED, Inc. President John F. Lohr adjourned the meeting at 7:21 p.m.