

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, MARCH 29, 2017 - 7:00 P.M.

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701
City of Columbus Office – 1st Floor Conference Room, 2424 14th St, Columbus, NE 68601
City of Wayne – City Council Chambers, 306 Pearl St., Wayne, NE 68787

MINUTES

Ratification: Due to the unavailability of one of the call in locations, actions taken at the March meeting will need to be ratified at the April 26, 2017 meeting.

I. Call to Order: The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:02 p.m. by NED, Inc. President Nancy Braden. Nancy Braden 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 Administrative Assistant, Danielle Lammers, read roll call.

Board Members Present:

Nancy Braden, NED, Inc. President, City of Wayne (Wayne)

Megan Weaver, NED, Inc. Board Member, Wayne Community Housing Development Corporation (Wayne)

John F. Lohr, NED, Inc. Board Member, NeighborWorks, Northeast Nebraska, Columbus (Columbus)

Brad Albers, NED, Inc. Board Member, Pierce County Commissioner (Norfolk)

Board Members Absent:

Tina Biteghe Bi Ndong, NED, Inc. Secretary/Treasurer, West Point Chamber of Commerce

Nadine K. Hagedorn, NED, Inc. Board Member, BankFirst

Loren Kucera, NED, Inc. Vice President, Nebraska Business Development Center (NBDC), Wayne

Others Present:

Tina M. Engelbart, NENEDD (Norfolk)

Kristen Rosner, NENEDD (Norfolk)

Judy Joy, NENEDD (Norfolk)

Martin Griffith, NENEDD (Norfolk)

Jeff Christensen, NENEDD (Norfolk)

Danielle Lammers, NENEDD (Norfolk)

III. Introduction of Guests: NED, Inc. President Nancy Braden asked everyone attending the meeting to introduce themselves to the group.

IV. Secretary's Report

A. Approve the March, 2017 Agenda and February, 2017 Minutes: John Lohr made a motion to approve the March, 2016 agenda and the February, 2017 board meeting minutes. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

V. Treasurer's Report

A. February, 2017 Treasurer's Report: NENEDD Fiscal Officer Kristen Rosner presented the report. Brad Albers made a motion to approve the February, 2017 Treasurer's Report as presented. Megan Weaver seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

VI. Action Items

A. Approve a \$200,000 loan to B & S Trading Post, LLC – Brent Benstead, Managing Member-Ponca: NENEDD Business Loan Specialist Jeff Christensen presented. Brent Benstead has formed B & S Trading Post, LLC and is planning the purchase of the Trading Post Market in Ponca. Bank of Dixon County in Newcastle has approved a loan of \$400,000. The loan will be set up as a regular commercial real estate loan fully amortized over a 20 year term at an interest rate of 5.95% (variable), based on a semi-annual payment plan. NED, Inc. will lend \$200,000 for the purchase of new equipment, inventory & signage. The \$200,000 loan will have a term of 20 years at an interest rate of 5.50% (fixed). John Lohr made a motion to approve a NED, Inc. loan of \$200,000 to B & S Trading Post, LLC, Brent Benstead, Managing Member, in Ponca, as presented and recommended by NENEDD staff and the Northeast RLF Committee. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

B. Approve a \$63,200 loan to Adam & Kristy Gensler, D/b/a Collision & Kustoms-Allen: NENEDD Business Loan Specialist Jeff Christensen presented. Adam & Kristy Gensler are planning the construction of a new body shop in Allen. They started their collision repair and vehicle restoration business in 2011. Security Bank in Allen is considering a loan of \$79,000 for this project. The bank's loan will be amortized over 20 years at an interest rate of 5.50% (variable). NED, Inc. will lend \$63,200 for building construction. The \$63,200 will have a term of 20 years at an interest rate of 5.50% (fixed). Megan Weaver made a motion to approve a NED, Inc. loan of \$62,300 to Adam & Kristy Gensler, d/b/a Collision & Kustoms in Allen, as presented and recommended by NENEDD staff and the Northeast RLF Committee. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera.

C. Approve accepting \$250,000 Community Development Block Grant (CDBG)/Non-Profit Development Organization (NDO) funds for Brehmer Mfg., Inc.-Lyons: NENEDD Business Loan Specialist Jeff Christensen presented. Brehmer Mfg. has identified the need to increase its existing manufacturing space and capabilities to accommodate both existing and new business opportunities beginning in 2017. Brehmer Mfg. has applied to the Nebraska Department of Economic Development (DED) through the City of Lyons for \$250,000 of new Community Development Block Grant (CDBG) funds. These funds will be sub-granted to Northeast Economic Development, Inc. (NED, Inc.) as a Non-profit Development Organization (NDO) who will in turn lend the funds to Brehmer Mfg. The loan will bear no interest. \$150,000 is fully repayable over 120 months. \$100,000 is forgiven upon meeting the job creation requirements of 10 new jobs within 18 months, and maintaining the additional jobs for 12 months. Brad Albers made a motion to approve accepting the sub-granted \$250,000 CDBG funds from the City of Lyons utilizing the Non-Profit Development Organization (NDO) process. The \$250,000 CDBG funds will be loaned to Brehmer Mfg., Inc. as presented and recommended by NENEDD staff, the Northeast RLF Committee, and

DED. Megan Weaver seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

D. Approve a \$200,000 loan and accept \$275,000 Community Development Block Grant (CDBG)/Non-Profit Development Organization (NDO) loan for Weiland, Inc./Weiland Family Holdings, LLC-Madison County: NENEDD Business Loan Specialist Jeff Christensen presented. Weiland Family Holdings, LLC is planning the expansion and relocation of their Madison manufacturing operations/facility (Weiland, Inc.) to an 18 acre property just south of Norfolk, east across Hwy 81 from the Norfolk Airport Industrial Park. Madison County Bank has been selected to provide a loan. It is assumed that loan will be that of 20 years at an interest rate of 4.75%. SBA will be involved with a direct loan. NED, Inc. will lend \$200,000 for construction costs related to the project. The \$200,000 loan will have a term of 20 years at an interest rate of 4.00% (fixed). Madison County will apply to the Nebraska Department of Economic Development (DED) on behalf of Weiland Family Holdings, LLC/Weiland, Inc. for \$275,000. Approximately \$159,000 will be from Madison County's existing CDBG funds and \$116,000 will be new CDBG funds from DED. All \$275,000 will be subgranted to NED, Inc., as a Non-Profit Development Organization (NDO), who will in turn lend the \$275,000 to Weiland Family Holding, LLC/Weiland, Inc. The \$275,000 NDO loan will have a 15 year term at 0.00% (fixed). Payments will be made to NED< Inc., thus resulting in a \$475,000 loan with NED, Inc. John Lohr made a motion to approve a NED, Inc. loan of \$200,000 for Weiland, Inc./Weiland Family Holdings, LLC and Accept the sub-granted \$275,000 CDBG funds from Madison County utilizing the Non-Profit Development Organization (NDO) process. The total of \$475,000 will be loaned to Weiland, Inc./Weiland Family Holdings, LLC as presented and recommended by NENEDD staff, the Northeast RLF Committee, and DED. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

E. Owner Occupied Housing Rehabilitation Applicant #101368: NENEDD Housing Specialist Martin Griffith presented. The house under consideration is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards. Cost of repairs is \$25,000. This house is deemed to be economically feasible for the NED, Inc. Owner Occupied Housing Rehabilitation Program. The funds being utilized for this project will be from the City of Wayne Grant #14-CIS-006. John Lohr made a motion to approve applicant #101368 for housing rehabilitation funds in the amount of up to \$25,000. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

F. Owner Occupied Housing Rehabilitation Applicant #101115: NENEDD Housing Specialist Martin Griffith presented. The house under consideration is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards. Cost of repairs is \$25,000. This house is deemed to be economically feasible for the NED, Inc. Owner Occupied Housing Rehabilitation Program. Megan Weaver made a motion to approve applicant #101115 for housing rehabilitation funds in the amount of up to \$25,000. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

G. Recommendation to approve revisions to Northeast Economic Development, Inc. Housing Reuse Plan for Recaptured and Program Income Funds: NENEDD Housing Specialist Judy Joy presented. Northeast Economic Development, Inc. is requesting approval of revisions to the Housing Reuse Plan for Recaptured and Program Income Funds. Changes to the reuse plan include clarification of language, additions, revisions and policy changes due to the Nebraska Department of Economic Development requirements. Brad Albers made a motion to pass resolution accepting and adopting the Northeast Economic Development, Inc. Housing Reuse Plan for Recaptured and Program Income Funds as presented. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

H. Recommendation to approve revisions to Northeast Economic Development, Inc. New Construction with Down Payment Assistance Program Guidelines: NENEDD Housing Specialist Judy Joy presented. Northeast Economic Development, Inc. is requesting approval of revisions to the New Construction with Down Payment Assistance Program Guidelines. Changes to the guidelines include updating website addresses, clarification of language, additions, and policy changes due to the Nebraska Department of Economic Development requirements. Brad Albers made a motion to pass resolution accepting and adopting the Northeast Economic Development, Inc. New Construction with Down Payment Assistance Program Guidelines as presented. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

I. Recommendation to approve revisions to Northeast Economic Development, Inc. Down Payment Assistance Program Guidelines: NENEDD Housing Specialist Judy Joy presented. Northeast Economic Development, Inc. is requesting approval of revisions to the Down Payment Assistance Program Guidelines. Changes to the guidelines include updating website addresses, clarification of language, additions, and policy changes due to the Nebraska Department of Economic Development requirements. Brad Albers made a motion to pass resolution accepting and adopting the Northeast Economic Development, Inc. Down Payment Assistance Program Guidelines as presented. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

J. Recommendation to approve revisions to Northeast Economic Development, Inc. Owner/Occupied Housing Rehabilitation Program Guidelines: NENEDD Housing Specialist Judy Joy presented. Northeast Economic Development, Inc. is requesting approval of revisions to the Owner/Occupied Housing Rehabilitation Program Guidelines. Changes to the guidelines include updating website addresses, clarification of language, additions, and policy changes due to the Nebraska Department of Economic Development requirements. Brad Albers made a motion to pass resolution accepting and adopting the Northeast Economic Development, Inc. Owner/Occupied Housing Rehabilitation Program Guidelines as presented. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried.

K. Public hearing concerning an application to the Nebraska Department of Economic Development for a Nebraska Affordable Housing Program Grant: Due to the unavailability of one of the call in locations this item was postponed until the April 26th meeting.

- L. Resolution authorizing the submission of an application to the Nebraska Department of Economic Development for a Nebraska Affordable Housing Program Grant:** Due to the unavailability of one of the call in locations this item was postponed until the April 26th meeting.
- VIII. President/Board Comments:** NENEDD Deputy Director Tina Engelbart updated the board on her and Thomas Higginbotham's trip to Washington D.C. Meetings were held with each of the Congressmen and Senators' offices to discuss the importance of continued funding for the programs vital to the communities in Northeast Nebraska such as HUD Community Development Block Grant (CDBG), Economic Development Administration (EDA), HOME Investment Partnership and Community Development Finance Institute (CDFI). Tina and Tom will be putting together a summary and sending it out to both the NED, Inc. and the NENEDD boards within the next week.
- IX. Next Meeting Date:** The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, April 26, 2017 at 7:00 p.m. The meeting will be held at the City of Norfolk Office Building, 309, N. 5th St., Norfolk, Nebraska.
- X. Adjournment:** John Lohr made a motion to adjourn the meeting. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Megan Weaver, John Lohr. **NAYS:** None. **ABSENT:** Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera. Motion carried. NED, Inc. President Nancy Braden adjourned the meeting at 7:52 p.m.