

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING VIA ZOOM
WEDNESDAY, FEBRUARY 24, 2021 – 7 P.M.**

MINUTES

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 NED, Inc. President Jim McCarville who informed the public about the location of the Open Meetings Act and that it was accessible to the public. All board members attended the meeting via conference call as per Gov. Pete Ricketts' Executive Order No. 20-36, extended by Executive Order No. 21-02.

II. Roll Call: NENEDD Administrative Assistant, Grace Petersen, read roll call.

Board Members Present:

Jim McCarville, President, Northeast Community College
Brad Albers, Vice President, Business Owner
Shannon Stuchlik, Secretary/Treasurer, Midwest Bank of Pierce
Rich Jablonski, City of Columbus
Jerry Engdahl, Platte County
Mike Frank, retired Northeast Community College
Megan Weaver, Wakefield Progressive, Inc.

Board Members Absent:

None.

NENEDD Board Members Present:

Loren Kucera, Nebraska Business Development Center (NBDC) of Wayne; Charlie Bahr, City of Columbus; Tina Biteghe Bi Ndong, West Point Chamber of Commerce; Judy Mutzenberger, Cumming County; Gary Jackson, City of Norfolk; Blake Denton, BankFirst-West Point.

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Jeff Christensen, Mandy Gear, Kristen Rosner, and Grace Petersen.

III. Introduction of Guests: NED, Inc. President Jim McCarville introduced guests. The following guest was present: Sally Ganem, City of Fremont.

IV. Secretary's Report

A. Consideration for approval of the February 24, 2021, agenda and January 27, 2021, meeting minutes. Rich Jablonski made a motion to approve the February 24, 2021, agenda and January 27, 2021, meeting minutes. Shannon Stuchlik seconded that motion. **AYES:** Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jim McCarville, and Jerry Engdahl. **NAYS:** None. **ABSENT:** Brad Albers. Motion carried.

*** Brad Albers joined the meeting at 7:05 p.m.**

V. Treasurer's Report

A. Consideration for acceptance of the January 2021 Treasurer's Report as presented. Fiscal Officer Kristen Rosner presented the report. Shannon Stuchlik made a motion to accept the January 2021 Treasurer's Report as presented. Rich Jablonski seconded the motion. **AYES:** Jim

McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried.

VI. Action Items

A. Consideration to approve Owner-Occupied Housing Rehabilitation Hardship Review Applicant #02007 06725. NENEDD Housing Loan Specialist Mandy Gear presented. The loan client requested a hardship review due to her retirement and her income being cut in half. An income review was conducted, and the loan client would now qualify for a forgivable loan. The remaining balance of the loan is \$2,666.43 and would be forgiven over the remaining term of the original loan ending of June 1, 2023. Brad Albers made a motion to approve Owner-Occupied Housing Rehabilitation Hardship Review Applicant #02007 06725. Megan Weaver seconded the motion. **AYES:** Jim McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried.

B. Consideration to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Swoboda Rentals, LLC, d/b/a The Main Spot in Verdigre. NENEDD Business Loan Specialist Jeff Christensen presented. Thomas and Katrina Swoboda are owners/members of Swoboda Rentals, LLC and are planning the purchase of the Bohemian Lounge, located at 300 S. Main St. in Verdigre. They will open their new business, The Main Spot Restaurant and Bar, at that location. The purchase includes the real estate/building and furniture, fixtures, equipment, inventory of the Bohemian Lounge, including a rental house to the west of the lounge. The total project cost is \$100,000. Knox County will lend \$50,000 for this project. These funds will be sub-granted to NED, Inc. as a Non-profit Development Organization (NDO), who will in turn lend the \$50,000 to Swoboda Rentals, LLC. The \$50,000 NDO loan will have a 20-year term at 4.50% (fixed). Payments will be made to NED, Inc. This is the process approved by the Nebraska Department of Economic Development (DED) to de-federalize CDBG funds in our local communities. NED, Inc. will file a first position deed of trust on the business real estate at 300 S. Main St. in Verdigre, including the rental property, have a first position UCC lien on the business personal property of The Main Spot, require personal guarantees from all members of Swoboda Rentals, LLC, and will require life insurance assignments from Thomas and Katrina Swoboda, each for the amount of the loan for the life of the loan. NED, Inc. also will file a deed of trust on the Swoboda's personal residence in Verdigre. Rich Jablonski made a motion to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Swoboda Rentals, LLC, d/b/a The Main Spot in Verdigre. Brad Albers seconded the motion. **AYES:** Jim McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried.

C. Consideration to approve a \$70,000 loan to Slagle Dirtwork & Hauling, LLC in Hartington. NENEDD Business Loan Specialist Jeff Christensen presented. Justin and Sarah Slagle are planning the start of their own dirt work and hauling business. They have formed Slagle Dirtwork & Hauling, LLC and will operate the company from their home in Hartington. To start their business, they will be purchasing an excavator, dump truck, and trailer to haul the excavator. They also will need working capital. Justin's plans include digging basements, land clearing, drainage ditch clean out, construction site preparation, concrete removal, tree removal, and demolishing buildings. The total project costs are \$415,125. NED, Inc. will lend Slagle Dirtwork & Hauling, LLC \$70,000 to purchase a dump truck, trailer, and working capital. This loan will have a term of five years at an interest rate of 4.00% (fixed). NED, Inc. will have a subordinate (2nd) lien on the business assets of Slagle Dirtwork & Hauling, LLC. This includes a 2nd lien on the dump truck and trailer. NED, Inc. also will file a Deed of Trust on Slagle's personal residence in Hartington, require assignment of life insurance from Justin for the amount of the loan for the life of the loan, and require a personal guaranty from Justin and Sarah.

Shannon Stuchlik made a motion to approve a \$70,000 loan to Slagle Dirtwork & Hauling, LLC in Hartington. Brad Albers seconded that motion. **AYES:** Jim McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried.

D. Consideration to approve the management contract with NENEDD to reflect the new hourly rate. NENEDD Executive Director Thomas L. Higginbotham, Jr. presented. During the NENEDD Board of Directors meeting on December 16, 2020, the board approved an hourly rate increase from \$60 to \$75. Megan Weaver made a motion to approve the management contract with NENEDD to reflect the new hourly rate. Brad Albers seconded that motion. **AYES:** Jim McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried.

VII. President/Board Comments: Sally Ganem, City of Fremont, was asked to introduce herself. Ganem was expected to be appointed to the NENEDD Board of Directors during its meeting on February 24, 2021.

VIII. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, March 31, 2021, at 7 p.m. The meeting will be held via Zoom.

IX. Adjournment: Mike Frank made a motion to adjourn the meeting. Brad Albers seconded the motion. **AYES:** Jim McCarville, Mike Frank, Shannon Stuchlik, Megan Weaver, Rich Jablonski, Jerry Engdahl, and Brad Albers. **NAYS:** None. **ABSENT:** None. Motion carried. NED, Inc. President Jim McCarville adjourned the meeting at 7:25 p.m.