

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, MAY 25, 2022 – 7 P.M.

City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701

MINUTES

Ratification: A quorum was not available during the May 25, 2022, NED, Inc. Board of Directors meeting. The Secretary’s Report, Treasurer’s Report, and Action Items A-F will be ratified at the June 29, 2022, meeting.

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 Brad Albers who 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 Planning & Administrative Assistant, Grace Petersen, read roll call.

Board Members Present:

Brad Albers, President, Business Owner
Shannon Stuchlik, Vice President, Midwest Bank of Pierce
Rich Jablonski, Columbus City Council

Board Members Absent:

Jerry Engdahl, Secretary/Treasurer, Platte County Supervisor
Megan Weaver, Wakefield Progressive, Inc.
Jim McCarville, Northeast Community College

NENEDD Board Members Present: Charlie Bahr, Columbus City Council; Tina Biteghe Bi Ndong, West Point Chamber of Commerce; Judy Mutzenberger, Cuming County Supervisor; Troy Uhlir, Madison County Commissioner; Blake Denton, MetLife; Sally Ganem, Fremont City Council; and Loren Kucera, Nebraska Business Development Center of Wayne.

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Martin Griffith, Mandy Gear, Jeff Christensen (Schuyler), Kristen Rosner, and Grace Petersen in Norfolk unless otherwise stated.

III. Introduction of Guests: Silva Biteghe Bi Ndong.

IV. Secretary’s Report

A. Consideration for approval of the May 25, 2022, agenda and the April 27, 2022, meeting minutes. Rich Jablonski made a motion to approve the May 25, 2022, agenda and the April 27, 2022, meeting minutes. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

V. Treasurer’s Report

A. Consideration for acceptance of the April 2022 Treasurer’s Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Rich Jablonski made a motion to

accept the April 2022 Treasurer's Report as presented. Shannon Stuchlik seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

VI. Action Items

A. Recommendation to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Mara Breithaupt, d/b/a Commercial Hotel in Verdigre. NENEDD Business Loan Specialist Jeff Christensen presented. Mara Breithaupt is planning the purchase of the Commercial Hotel at 217 S. Main St. in Verdigre. It's an old two-story building with seven rooms to rent, kitchen, and dining room. It's also the only hotel in Verdigre. Due to recreation opportunities in and around Verdigre and Knox County, lodging is needed throughout the year. The total project costs are estimated to be \$72,000 for the purchase of the Commercial Hotel, including real estate and all furniture, fixtures, and equipment. 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 Mara Breithaupt for this project. This is the process approved by the Nebraska Department of Economic Development to defederalize CDBG funds in our local communities. The \$50,000 NDO loan will have a 20-year term at 4.50% (fixed). Payments will be made to NED, Inc. NED, Inc. will file a primary deed of trust on the business real estate being purchased at 217 S. Main St., Verdigre, have a UCC lien on the business personal property, and require a life insurance assignment from Mara for the amount of the loan for the life of the loan. NED, Inc. will also file a deed of trust on the Breithaupt residence in Knox County. Flood insurance will be required. Shannon Stuchlik made a motion to approve accepting \$50,000 CDBG RLF funds from Knox County for a loan to Mara Breithaupt, d/b/a Commercial Hotel in Verdigre. Rich Jablonski seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

B. Recommendation to approve a \$102,000 loan to Stankoski Dozer and Excavating, LLC, near Monroe. NENEDD Business Loan Specialist Jeff Christensen presented. Derek and Keely Stankoski, members of Stankoski Dozer and Excavating, LLC (SDE) are planning the purchase of an excavator and semi-tractor to enhance their dozing and excavating business. SDE was established by the Stankoskis in August 2020. It is operated out of their home in Monroe. SDE provides excavating services to Platte, Nance, Boone, Madison, Colfax, Butler, Polk, and Merrick counties. The total project costs are \$255,000. NED, Inc. will lend Derek and Keely Stankoski \$102,000 to purchase an excavator and semi-tractor. This loan will have a term of 10 years at an interest rate of 4.50% (fixed). NED, Inc. will have a subordinate (2nd) lien position on the business assets of Stankoski Dozing and Excavation, LLC. This includes the excavator and semi-tractor. NED, Inc. will also file a Deed of Trust on Stankoski's personal residence near Monroe, require assignment of life insurance from Derek for the amount of the loan for the life of the loan, and require a personal guaranty form Derek and Keely. Rich Jablonski made a motion to approve a \$102,000 loan to Stankoski Dozer and Excavating, LLC, near Monroe. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

C. Consideration to reappoint Aaron Gutz, Elizabeth McManigal, and Troy Weyhrich to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee. NENEDD Business Loan Specialist Jeff Christensen presented. The Northeast RLF Committee is a nine-member group that reviews NENEDD, NED, Inc., and local community business loans and makes recommendations for approval. The terms of Aaron Gutz, Elizabeth McManigal, and Troy Weyhrich are due for renewal. All three have agreed to stay on for another three-year term. Shannon Stuchlik made a motion to reappoint Aaron Gutz, Elizabeth McManigal, and Troy

Weyhrich to another three-year term on the Northeast Revolving Loan Fund (RLF) Committee. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

D. Recommendation to deny applicant #101676 for owner-occupied housing rehabilitation funds. NENEDD Housing Specialist Martin Griffith presented. 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 in section 4.6 (Economic Feasibility for Rehabilitation) of the Housing Rehabilitation Program Guidelines. Therefore, it is deemed not economically feasible for the Housing Rehabilitation Program. Shannon Stuchlik made a motion to deny applicant #101676 for owner-occupied housing rehabilitation funds. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

E. Recommendation to approve applicant #101722 for owner-occupied housing rehabilitation funds up to the amount of \$25,000.00. NENEDD Housing Specialist Martin Griffith presented. This property is located in Norfolk, is 1,232 square feet, and cost of repairs per square foot is \$20.00. The house is structurally sound, in good condition, and after repairs will meet or exceed all of the required Minimum Rehabilitation Standards. This property is deemed economically feasible for the NED, Inc. Owner-Occupied Housing Rehabilitation Program. Funding will be provided by NED, Inc. Housing Reuse Funds. This is a 1% interest loan up to 20 years. Rich Jablonski made a motion to approve applicant #101722 for owner-occupied housing rehabilitation funds up to the amount of \$25,000.00. Shannon Stuchlik seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

F. Recommendation to approve direct homebuyer assistance applicant #101733. NENEDD Housing Loan Specialist Mandy Gear presented. NENEDD staff have reviewed the application and are recommending approval for direct homebuyer assistance in the amount of \$21,000 for applicant #101733. This is a 0% Deferred Interest Loan, due upon transfer of title. Shannon Stuchlik made a motion to approve a direct homebuyer assistance applicant #101733. Rich Jablonski seconded that motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried.

VII. President/Board Comments: None.

VIII. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, June 29, 2022, at 7 p.m. The meeting will be held at the following location: City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701.

IX. Adjournment: Shannon Stuchlik made a motion to adjourn the meeting. Rich Jablonski seconded the motion. **AYES:** Rich Jablonski and Shannon Stuchlik. **NAYS:** None. **ABSENT:** Megan Weaver, Jerry Engdahl, and Jim McCarville. Motion carried. NENEDD President Brad Albers adjourned the meeting at 7:21 p.m.