

**NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 25, 2023 – 7 P.M.**

*City of Norfolk Offices – Training Room, 309 N. 5th St., Norfolk, NE 68701
Columbus Public Library – 2500 14th St., Room 224, Columbus, NE 68601
Fremont Municipal Building – 400 Military Ave., Fremont, NE 68025*

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 Shannon Stuchlik, 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 Administrative Assistant, Mary Fleer, read roll call.

Board Members Present:

Shannon Stuchlik, President, (Norfolk)
Sally Ganem, Vice President, Fremont City Council (Fremont)
Rich Jablonski, Columbus City Council (Columbus)
Loren Kucera, Nebraska Business Development Center (NBDC)-Wayne (Norfolk)
Kurt Dostal, Secretary/Treasurer, Citizens State Bank (Norfolk)

Board Members Absent:

Jim McCarville
Jim Hans

NENEDD Board Members Present:

Charlie Bahr, Columbus City Council (Columbus); Tina Biteghe Bi Ndong, West Point Chamber of Commerce (Fremont); Troy Uhlir, Madison County Commissioner (Norfolk); Blake Denton, MetLife (Fremont); Loren Kucera, Nebraska Business Development Center (NBDC), Wayne (Norfolk); Meghann Buresh, Nebraska Apex Accelerator (Norfolk), and Benjamin Benton, City of Randolph (Norfolk).

NENEDD Staff Present:

Thomas L. Higginbotham, Jr., Tina M. Engelbart, Kristen Rosner, Mandy Gear, Mary Fleer (Norfolk) and Jeff Christensen (via cell phone).

- III. Introduction of Guests:** Tod Voss, Village of McLean (Norfolk), Judy Mutzenberger, Cuming County Supervisor (Norfolk) and Ron Shilling, Columbus City Council, (Columbus).
- IV. Secretary’s Report**
- A. Consideration for approval of the October 25, 2023, agenda and September 27, 2023, meeting minutes.** Rich Jablonski made a motion to approve the October 25, 2023, agenda and the September 27, 2023, meeting minutes. Kurt Dostal seconded the motion. **AYES:** Rich Jablonski, Sally Ganem, Loren Kucera, Kurt Dostal. **NAYS:** None. **ABSENT:** Jim McCarville, Jim Hans. Motion carried.
- V. Treasurer’s Report**
- A. Consideration for acceptance of the September 2023 Treasurer’s Report as presented.** NENEDD Fiscal Officer Kristen Rosner presented the report. Sally Ganem made a motion to accept the September 2023 Treasurer’s Report as presented. Loren Kucera seconded the motion. **AYES:** Rich Jablonski, Sally Ganem, Loren Kucera, Kurt Dostal. **NAYS:** None. **ABSENT:** Jim McCarville, Jim Hans. Motion carried.

Jim McCarville entered the meeting.

VI. Action Items

A. Consideration for approval of a \$48,000 loan to Elkhorn Valley Meat Processing, LLC, to expand the meat processing business in rural Cuming County. NENEDD Business Loan Specialist Jeff Christensen presented. Flynn Doescher is planning the expansion of his part-time meat processing business and will operate as Elkhorn Valley Meat Processing, LLC (EVMP) to be located at 1291 13 Rd., West Point. The total project costs are estimated to be \$143,125 which include \$80,535 for building construction, \$18,000 for renovations, \$18,000 for cooling units and \$26,590 for equipment. There is no bank involved in this project. The project will create two jobs. NED, Inc. will lend \$48,000 to Elkhorn Valley Meat Processing, LLC, for building construction, renovation, and cooling units. This loan will have a term of 20 years at an interest rate of 5.50% (fixed). NED, Inc. will have a subordinate deed of trust on the business real estate and subordinate position UCC filing on the business personal property. NED, Inc. will require a life insurance assignment from Flynn for the total amount of the loan for the life of the loan. NED, Inc. will also require a personal guaranty from Flynn and will file a deed of trust on Flynn's personal residence in Beemer. Kurt Dostal made a motion to approve the \$48,000 loan to Elkhorn Valley Meat Processing, LLC, to expand the meat processing business in rural Cuming County. Jim McCarville seconded the motion. **AYES:** Jim McCarville, Sally Ganem, Rich Jablonski, Loren Kucera, Kurt Dostal. **NAYS:** None. **ABSTAIN:** None. **ABSENT:** Jim Hans. Motion carried.

B. Consideration for approval to accept the sub-granted \$148,000 CDBG RLF funds from Knox County for a loan to JKK Veterinary Clinic, P.C., in Creighton. NENEDD Business Loan Specialist Jeff Christensen presented. Jason and Kerri Koch-Koenig are planning for the purchase of Sunrise Hill Veterinary Hospital located at 301 Oak St. in Creighton, including furniture, fixtures, equipment, inventory, and real estate. The total project costs are estimated to be \$371,000 which included \$170,000 for the real estate purchase, \$94,000 for inventory and \$107,000 for furniture, fixtures, and equipment. The Koenigs and Tri-County Bank in O'Neill are requesting that Knox County provide a loan in the amount of \$148,000 for the purchase of the business. The project will retain five jobs. Knox County will lend \$148,000 for this project. These funds will be sub-granted to NED, Inc., as a Nonprofit Development Organization (NDO), who will in turn lend the \$148,000 to the JKK Veterinary Clinic, P.C., for this project. This is the process approved by the Nebraska Department of Economic Development to defederalize CDBG funds in our local communities. The \$148,000 loan will have a 20-year term at 4.50% (fixed). Payments will be made to NED, Inc. NED, Inc. will file a deed of trust on the business real estate being purchased at 301 Oak St. in Creighton, to be owned by Koenig Veterinary Land, LLC, and have a UCC lien on the business personal property owned by JKK Veterinary Clinic, P.C., and require a life insurance assignment from Kerri for the amount of the loan for the life of the loan. NED, Inc. will also file a deed of trust on the Koenig's residence in Knox County and Kerri and Jason Koenig will provide a personal guaranty. Loren Kucera made a motion to accept the sub-granted \$148,000 CDBG RLF funds from Knox County for a loan to JKK Veterinary Clinic, P.C., in Creighton. Kurt Dostal seconded the motion. **AYES:** Loren Kucera, Kurt Dostal, Jim McCarville, Rich Jablonski, Sally Ganem. **NAYS:** None. **ABSTAIN:** None. **ABSENT:** Jim Hans. Motion carried.

C. Consideration for approval of a \$250,000 loan to Reynoldson Coffee, LLC, d/b/a Scooter's Coffee Shop at 920 S. 13th Street in Norfolk as part of their permanent financing. NENEDD Business Loan Specialist Jeff Christensen presented. Mike and Cindy Reynoldson purchased the former BankFirst location at 920 S. 13th Street in Norfolk and built a new Scooter's Coffee Shop. Up to this point, they have had construction financing through BankFirst for the project and will now get permanent financing in place. The total project costs are estimated to be \$2,645,620. That includes \$750,000 for real estate purchase, \$1,632,384 for building construction/renovation, and \$263,237 for furniture, fixtures and equipment. BankFirst and Reynoldsons are requesting that NED, Inc. provide a loan in the amount of \$250,000 as part of their permanent financing. The project will create 28 jobs. NED, Inc. will lend \$250,000 to Reynoldson Coffee, LLC, as part of the permanent financing for the new Scooter's located at 920 S. 13th Street in Norfolk. This loan will have a term of 25 years at an interest rate of 6.00% (fixed). NED, Inc. will file a subordinate deed of trust on the business real estate at 920 S. 13th Street and UCC filing on the business personal property. NED, Inc. will require a

life insurance assignment from Cindy for the total amount of the loan for the life of the loan. NED, Inc. will also require a personal guaranty from Mike and Cindy. Jim McCarville made a motion to approve the \$250,000 loan to Reynoldson Coffee, LLC, d/b/a Scooter's Coffee Shop at 920 S. 13th Street in Norfolk as part of their permanent financing. Loren Kucera seconded the motion. **AYES:** Kurt Dostal, Jim McCarville, Rich Jablonski, Sally Ganem, Loren Kucera. **NAYS:** None. **ABSTAIN:** None. **ABSENT:** Jim Hans. Motion carried.

D. Consideration for approval for direct homebuyer assistance applicant #101786 in the amount of \$30,000. NED, Inc. Housing Specialist Mandy Gear presented. NENEDD staff have reviewed the application and are recommending approval for direct homebuyer assistance in the amount of \$30,000 for applicant #101786. This is a 0% Deferred Interest Loan, due upon transfer of title. Kurt Dostal made a motion to approve direct homebuyer assistance applicant #101786. Loren Kucera seconded the motion. **AYES:** Jim McCarville, Rich Jablonski, Sally Ganem, Loren Kucera, Kurt Dostal. **NAYS:** None. **ABSTAIN:** None. **ABSENT:** Jim Hans. Motion carried.

VII. President/Board Comments: Thomas L. Higginbotham Jr, Executive Director gave an update on NENEDD's search for an Executive Director. There were 8 resumes received and narrowed down to 3 for interviews. Shannon Stuchlik was offered the Executive Director position and accepted the position starting October 30, 2023. Shannon resigned from the NED, Inc. board effective 10/25/2023.

VIII. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, November 29, 2023, at 7 p.m. The meeting will be held via conference call.

IX. Adjournment: Loren Kucera made a motion to adjourn the meeting. Kurt Dostal seconded the motion. **AYES:** Kurt Dostal, Jim McCarville, Loren Kucera, Rich Jablonski, Sally Ganem. **NAYS:** None. **ABSENT:** Jim Hans. Motion carried. President Shannon Stuchlik adjourned the meeting at 7:25 p.m.