

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, MARCH 27, 2024 - 7 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
Fremont City Hall – 2nd Floor Conference Room, 400 E. 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 7:01 by NED, Inc. Vice President Kurt Dostal, who informed the public about the location of the open meetings act and that it was accessible to the public.
- II. Roll Call:** NENEDD Administrative Assistant, Mary Fleer, read roll call.
- Board Members Present:**
Kurt Dostal, Vice President, Citizens State Bank (Norfolk)
Loren Kucera, Secretary/Treasurer, Nebraska Business Development Center Wayne (Norfolk)
Sally Ganem, Fremont City Council (Fremont)
Jim McCarville, Northeast Community College (Norfolk)
Tod William Voss, MD, Village of McLean (Norfolk)
- Board Members Absent:**
Rich Jablonski
Jim Hans
- NENEDD Board Members Present:**
Benjamin Benton (Norfolk)
Troy Uhlir (Norfolk)
Tina Biteghe Bi Ndong (West Point)
Blake Denton (West Point)
Meghann Buresh (Norfolk)
- NENEDD Staff Present:**
Shannon Stuchlik, Martin Griffith, Kristen Rosner, Mary Fleer, Jeff Christensen (Norfolk)
- III. Introduction of Guests:** Doug Backens, Dodge County Supervisor (Fremont)
- IV. Secretary’s Report**
- A. Consideration for approval of the March 27, 2024, agenda and February 28, 2024, meeting minutes.** Tod W. Voss, MD made a motion to approve the March 27, 2024, agenda and the February 28, 2024, meeting minutes. Jim McCarville seconded the motion. **AYES:** Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, MD. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

V. Treasurer's Report

A. Consideration for acceptance of the February 2024 Treasurer's Report as presented. NENEDD Fiscal Officer Kristen Rosner presented the report. Sally Ganem made a motion to accept the February 2024 Treasurer's Report as presented. Jim McCarville seconded the motion. **AYES:** Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, MD. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

VI. Discussion Items: None.

VII. Action Items

A. Consideration for approval to appoint a 2024-2025 budget/nominating committee. On an annual basis, a budget and nominating committee is appointed to review and recommend to the full board of directors the next year's budget as prepared by staff and to review and recommend to the full board of directors new board members and new officers. The following board members were nominated to serve in 2024-2025: Kurt Dostal, Jim Hans and Sally Ganem. Tod W. Voss, MD, made a motion to approve the 2024-2025 budget/nominating committee. Jim McCarville seconded the motion. **AYES:** Sally Ganem, Jim McCarville, Tod W. Voss, MD, Loren Kucera. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

B. Consideration for approval of a \$40,000 loan to Tigers & Friends Childcare, LLC, in Osmond. NENEDD Business Loan Specialist Jeff Christensen presented. The members of Tigers & Friends Childcare, LLC, have been operating a daycare business out of their home in Osmond for the past four years. The members are planning the expansion of the daycare business to a new facility located at 102 W. 5th Street in Osmond. The building is currently owned by a non-profit group in Osmond called Osmond Community Daycare Facility, LLC, and has offered the Tigers & Friends members the facility with the understanding they will assume an existing \$15,000 note to Osmond Ventures and replace it with a new note. The total project costs are \$175,000 which include the note, renovations, equipment purchase and working capital. The members of Tigers & Friends are requesting that NED, Inc. provide a loan in the amount of \$40,000 for this project. The project will maintain five jobs including one of the LLC members. NED, Inc. will lend \$40,000 to Tigers & Friends Childcare, LLC. This loan will have a term of 20 years at an interest rate of 5.50% (fixed). NED, Inc. will have a first position deed of trust on the business real estate, first position lien on all business personal property and a personal guaranty from both members of the LLC. NED, Inc. will also file a deed of trust on the members' personal residence in Osmond and require an assignment of life insurance from the one member operating the daycare for the amount of the loan for the life of the loan. Jim McCarville made a motion to approve a \$40,000 loan to Tigers & Friends Childcare, LLC, in Osmond. Loren Kucera seconded the motion. **AYES:** Jim McCarville, Tod W. Voss, MD, Loren Kucera, Sally Ganem. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

C. Consideration for approval of a subordination request related to change of primary lender for Weiland, Inc. – NED, Inc. loan #61700301. NENEDD Business Loan Specialist Jeff Christensen presented. Weiland, Inc. received a \$275,000 Community Development Block Grant (CDBG) from the Nebraska Department of

Economic Development (DED) in March 2017 for expansion and relocation of their Madison manufacturing operations facility to an 18-acre property just south of Norfolk. Weiland, Inc. manufactures and distributes specialty doors and windows for a variety of industries nationwide. The \$275,000 CDBG funds were sub-granted to NED, Inc. as a Nonprofit Development Organization (NDO). The \$275,000 NDO loan has a 15-year term at 0.00 (fixed). Payments are made to NED, Inc. and have been made as promised. Elkhorn Valley Bank has now refinanced the business personal property and is requesting NED, Inc. subordinate its UCC filing to allow Elkhorn Valley Bank 1st lien position. This is standard procedure for NED, Inc. and/or NENEDD to be in a subordinate position to the bank as the primary lender. Tod W. Voss, MD, made a motion to approve a subordination request related to change of primary lender for Weiland, Inc. – NED, Inc. loan #61700301. Jim McCarville seconded the motion. **AYES:** Tod W. Voss, MD, Loren Kucera, Sally Ganem, Jim McCarville. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

- D. Consideration for approval of a rescheduling agreement for NED, Inc. loan #623010.** The owners of a retail business in downtown Wayne are requesting to reschedule payments related to NED, Inc. business loan #623010. The business has had cash flow problems since the beginning. NED, Inc.'s loan guidelines allow for a one-time deferment of payments for three months without board approval. This was exercised from December 2023-February 2024. Regular payments resumed March 2024. The business continues to struggle due to several ongoing challenges despite their best efforts and various strategies implemented to increase foot traffic and revenue. All payments have been made as promised. The rescheduling request asks for no payments for six months (April-September 2024) with regular payments resuming in October 2024. Interest will still accrue. Loren Kucera made a motion to approve a rescheduling agreement for NED, Inc. loan #623010. Tod W. Voss, MD, seconded the motion. **AYES:** Sally Ganem, Jim McCarville, Tod W. Voss, MD. **ABSTAIN:** Loren Kucera. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried.

VIII. President/Board Comments: None.

IX. Next Meeting Date: The next NED, Inc. Board of Directors meeting will be held on Wednesday, April 24, 2024, at 7:00 p.m. The meeting will be held at the following location: City of Norfolk Offices – Training Room, 309 N. 5th Street, Norfolk, NE 68701.

X. Adjournment: Loren Kucera made a motion to adjourn the meeting. Jim McCarville seconded the motion. **AYES:** Loren Kucera, Sally Ganem, Jim McCarville, Tod W. Voss, MD. **NAYS:** None. **ABSENT:** Rich Jablonski, Jim Hans. Motion carried. Vice President Kurt Dostal adjourned the meeting at 7:20 p.m.