

**SPECIAL EDAP BOARD MEETING
WISH'N WELL CAFE
APRIL 20, 2010
7:00 A.M.**

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
 - A. Future Meeting Location (page 5)
- IV. OLD BUSINESS
 - A. Incubator/Industrial Park – Update
 - B. Economic Status Of Community - Update
 - C. Status of Revolving Loan Past Due Payments - Update
 - D. EDAP Loan Applications – please bring your applications from the previous meeting and any changes you may have.
 - E. K C Companies, Inc. – Update
 - F. Geronimo Wind Energy – Donation Program
- V. INFORMATIONAL
 - A. Low Interest Loans Available to Cold Spring Businesses Newspaper Article (page 6)
 - B. Revolving Loan Report (page 7)
- VI. ADJOURN

***** Please call or email Renee at 320-243-3714 ext. 227 or at reneeE@painesvillemn.com if you are not able to attend the meeting.*****

Members: Don Pietsch, Don Wiese, Bruce Stang, Chris Stanley, Alan Habben, Jeff Thompson, and Gene Beavers. Advisory Member: Renee Eckerly.

This agenda has been prepared to provide information regarding an upcoming meeting of the EDAP Board. This document does not claim to be complete and is subject to change.

BARRIER FREE: All EDAP Board meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: EDAP Board Meeting

Committee/Council Meeting Date: April 20, 2010

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the attached minutes from the March 30, 2010 EDAP Board meeting.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the minutes from March 30, 2010 EDAP Board meeting.

**MINUTES
EDAP BOARD**

MARCH 30, 2010

The meeting was called to order by Bruce Stang at 12:05 p.m. Other members present were Jeff Thompson, Chris Stanley, and Gene Beavers. Absent were Alan Habben, Don Pietsch, and Don Wiese. Also present were Renee Eckerly, and Kent Marthaler, KC Companies.

Motion was made by Thompson to approve the minutes from the January 10, 2010 EDAP meeting. Seconded by Beavers and unanimously carried.

KC COMPANIES

Kent Marthaler was in attendance and reported the following:

- Gave a brief background on his business
- Relocated to Pequot Lakes
- Have built in 12-13 communities
- Have sold some due to the request from outside sources
- Goal is to keep and retain business and not flip
- Groundbreaking in Ida Grove, Iowa
- Like smaller communities
- Ground level, single story facilities
- Home atmosphere for building model
- Looking for property in Paynesville
- Have been trying to build here since 2006
- Land has been the issue
- They are looking for 3-5 acres
- Assisted living and phase 2 memory or special care facility
- City sewer and water is preferred
- Looked at Ferche and south, but not right fit for need
- Would like light commercial or residential
- Two properties that are being looked at – 605 Lake Ave. and land over by BMX park
- Want a community to build in this fall
- 3.6 million dollar project
- Bank finance 2.5 million
- Builder finance \$633,215.00
- TIF amount of \$410,821.00
- Could be a pass as go
- Low income funding and Enterprise Zone was used in Ida Grove
- Facility would be for both (low income and average – close to 50%)

Eckerly asked about the effect of a 40 unit facility built in Richmond. Thompson asked about a working relationship with the hospitals. Marthaler stated that in the communities they are in they have a good relationship. The Board discussed the process. Eckerly will contact the City's TIF consultant.

Marthaler further reported:

- This facility would be 40 units; constructed in 2 phases
- Employment would be around 20 people
- Land is key for this community

Eckerly stated that the Budget & Finance Committee reviewed this and did not have a recommendation for Council.

It was mentioned having retention in business; keeping people here for their care.

Marthaler wants to wait on TIF information.

It was recommended that the land request go on the next Council agenda. Marthaler will be on the agenda and will send a file for that meeting. In Aitkin, they have a hospital and nursing home with assisted living.

Motion was made by Stanley to request the City Council to review the viability of the project. Seconded by Stang and unanimously carried.

STATUS OF EDAP LOANS

Queen Bees

Eckerly reported on the status and the communications she has had with Doris Wendlandt.

Hartmann

Eckerly visited with them on payment arrangements and arrangements have been made to get caught up by May 2010.

Bowden

Eckerly reported on the status of the loan and will do some further research.

ELECTION OF OFFICERS

Motion was made by Thompson to elect Bruce Stang as Chairperson, Al Habben as Vice Chair, and Renee Eckerly as Secretary. Seconded by Beavers and unanimously carried.

MEETING SCHEDULE

Beavers can't do noon meetings.

Motion was made by Beavers to set the EDAP Board meetings for the third Tuesday of each month at 7:00 a.m. Seconded by Thompson and unanimously carried.

MAY MEETING

The May 18th meeting will be moved to May 20th at 7:00 a.m.

INCUBATOR

No update.

ECONOMIC STATUS OF COMMUNITY

No update.

THE PARTNERSHIP MEETING REPORT

Eckerly reported that this was not a productive meeting.

AWNING UPDATE

This item was not discussed.

EDAP LOAN APPLICATION

This item was not discussed and will be on the next agenda.

INFORMATIONAL

The low interest loans available to Cold Spring businesses were discussed and how different they are from Paynesville's.

The Revolving Loan Reports were reviewed.

There being no further business the meeting was adjourned at 1:00 p.m.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: EDAP Board Meeting

Committee/Council Meeting Date: April 20, 2010

Agenda Section: New Business

Originating Department: Administration

Item Number: III - A

ITEM DESCRIPTION: Future Meeting Location

Prepared by: Staff

COMMENTS:

Currently the EDAP Board is rotating between businesses:

1st Quarter – (Jan., Feb., March) – Wish'n Well Café

2nd Quarter – (April, May, June) – Queen Bee's Bar & Grill

3rd Quarter – (July, August, Sept.) – Legion

4th Quarter – (Oct., Nov., Dec.) – Hilltop

Not all of the above establishments are open at 7:00 a.m.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to set the EDAP Board meeting location at _____.

Cold Spring RECORD



Cold Spring, MN 56320

Your Hometown Newspaper Since 1899

Notice

If anyone wishes to rent the Cold Spring Sportsman's Park for any event during the summer months, please call 685-8192 to make arrangements.

WANTED

Growers and vendors for the Cold Spring Farmers' Market! Looking especially for dairy, meat, eggs, processed foods, and baked goods.

Must live within a 30 mile radius of Cold Spring.

Please contact (320) 360-9070 for more information and applications. Thank you!

District 750 office closed during move

Rocori School District offices will be closed from February 24-26 and will reopen on March 1st if moving the building housing the offices goes as planned.

Office staff will be working those days, but will be in various locations throughout the High School and Elementary School buildings.

The office building will be moved to ready the space it occupies for Spring construction of the new Middle School and gymnasium spaces at the High School site.

Explore History in the Making!

The seventh grade class at ROCORI Middle School would like to invite the ROCORI community to their annual History Day program on Tuesday, March 2, 2010. This year's theme is titled "Innovations in History: Impact and Change."

Come check out the exhibits and projects which the students have been working on. You may even learn a little bit of history yourself!

Exhibits will be displayed for viewing from 1:00 - 4:00 p.m. and will be set up in the RMS gymnasium and stage. Sign in at the middle school office.

"Making Room for God" Intergenerational Retreat

Lent is a season of soul-searching, repentance and reflection. It offers us all a very special opportunity to grow in our relationship with God and to deepen our commitment to a way of life, rooted in our baptism!

St. Boniface Church in Cold Spring is hosting an Intergenerational Lenten Retreat on Saturday, February 27th from 9:00 a.m. - 12:30 p.m. The Lenten retreat is appropriate for ages 3-103 and all area churches are invited.

Low interest loans available to Cold Spring businesses

There is an almost constant message about how one of the consequences of the economic recession is that the lending market has tightened up for business loans. Commissioners on Cold Spring's Economic Development Authority (CSEDA) have heard from many local businesses that although the state of our community's economy is relatively better than most, that virtually no business has gone unaffected by the recession.

In response to such challenges the CSEDA has initiated a campaign to get low interest loans into the hands of business owners that have need for them. The City and its EDA established a "Revolving Loan Fund" program in 2005 by acquiring a State grant in the amount of \$500,000; and an additional grant of \$500,000 in 2008. No other City dollars have gone into the Revolving Loan Fund and these grants are to be used exclusively for this program. There is an asset balance of well more than \$1,000,000 in the Fund and currently there is more than \$250,000 in the fund ready to be loaned out. A total of eight loans have been issued thus far, none of which are delinquent. Cold Spring has found that, just as is common with similar programs in other communities, the businesses are very appreciative of the program and show a lot of loyalty in the need to make repayments. As payments are made on a past loan those monies are loaned back to other businesses in the community, so the dollars are constantly being recycled among the business community.

"The success of the program has been even greater than what we could have anticipated," says Dan Stell, Executive Director of the CSEDA. "It's hard to believe, but our greatest challenge now seems to be getting the word out that there is ample money available. Because this program is designed to gap financing for businesses, the terms are better than what a lending institution can provide."

Interest rates have been as low as 2% and are typically fixed for the life of the loan, which has been ten years in many cases.

The maximum loan amount is \$40,000 and must be matched with a loan from a private lender. The business must be located within Cold Spring city limits in order to be eligible for the loans. The CSEDA has a set of fourteen criteria that are used in determining the terms that are applied to each loan. There is very little that the funds can't be used for, so the program is very flexible. Points are awarded if the borrower is an existing business in Cold Spring and if the owner is a resident of the City.

City Administrator Larry Lahr generally assists business owners in packaging the loan applications. He explains that one of the additional benefits is that, "in addition to the attractive rate on our loan, we hope that the business owner's lender is providing a slightly better rate on their loan, because the CSEDA always takes a security position behind the bank providing that loan." The City also offers what is called an "Express Loan" through the RLF, which is even easier to process, provides loans up to \$5,000 and does not need to be matched with a private loan. "The Express Loan is perfect for a small start-up business or someone looking to make small improvements to their business, and is ideally suited for someone who might have a home business," says Lahr.

When asked why he feels more people haven't taken advantage of the program, CSEDA Commissioner Jim Kraemer says "I think that business owners might expect that because this is money from a government entity that the process is lengthy or difficult, when in many respects it's even simpler than getting a private loan. In one case the CSEDA had a check for \$40,000 to a business owner only five days after the application was submitted."

Representatives of the CSEDA are eager to meet with anyone who might be looking for more information. Anyone with interest is encouraged to call Larry Lahr at 685-3653, Dan Stell at 685-8611, or ask their Cold Spring banker about the program.

Cold Spring Friends Library to hold Winter Book Sale

The Cold Spring Friends of the Library will be holding their Summer Book Sale on Thursday, February 18th from 2:00 p.m. to 8:00 p.m., Friday, February 19th from 11:00 a.m. to 5:00 p.m. and Saturday, February 20th from 10:00 a.m. to 1:00 p.m. The sale will be held in the meeting room

of the Cold Spring City three days.

People are encouraged to donate new or gently used movies on DVD and audiobooks to the Cold Spring Library during normal hours. Donations of newly used children's books are especially encouraged.

Area businesses & organizations invited to be a part of the 20th Community Showcase

The Cold Spring Area Chamber of Commerce will once again be hosting the COMMUNITY SHOWCASE, which is scheduled for Saturday March 27, 2010 at ROCORI High School. Be sure to mark your calendar to attend this fun event, which will have something for everyone!

The COMMUNITY SHOWCASE has grown each year and many people came out last year to see a wide variety of businesses and organization's displays, attend seminars, register for prizes, enjoy the activities for kids, check out some recreational vehicles, and enjoy a variety of great food! Plans are underway for another great COMMUNITY SHOWCASE, so watch the Cold Spring Record for updates on what will be offered this year.

All area businesses, clubs, churches or organizations are invited to participate in this community event. Whether new business or established, a small business, independent consultant, based business, a retail business, or a club or organization, COMMUNITY SHOWCASE is a great way to increase your visibility as area residents. Register formation has been made Cold Spring Area members as well as businesses and organizations you did not receive a return, please contact Coordinator Rita Hen 8208 or info@great4you.com or info@springmn.com or in springmn.com or Chamber's website springmn.com.

Minnesota Zoomobile coming to the Richmond Public Library

Great River Regional Library is bringing the Minnesota Zoo's Zoomobile to the Richmond Public Library on Friday, Feb. 26, 2:00 - 3:30 p.m. The Zoomobile's trained naturalists will speak about animal habits and animal habitats. This is a family presentation, targeted at children 2-5 years old. This program is funded with money from the vote of the people of Minnesota on Nov. 4, 2008, which dedicated funding to preserve Minnesota's arts and cultural heritage.

Great River Regional Library

(GRRL) provides library at 32 public libraries in Morrison, Sherburne, Todd and Wright Co provides Central Minnesota's with nearly 1000 books, CDs and DVDs, public computers, program information services.

For more information contact Cindy Steckman at Richmond Public Library, 515 Richmond Public Library Hours: Mon. 2-8, Wed. 6, Fri. 2-6, Sat. 10-1.

Is Spring Here Yet?

Way back w



REVOLVING LOAN STATUS REPORT

| 04/12/2010 | BALANCE | PRINCIPAL | PAYMENT | AMOUNT | DUE DATE |
|--|---------------|-----------|-----------------------------|----------|----------|
| MIDWEST CYLINDER | \$ 243,851.24 | 1,167.24 | 04/07/10 4/10 PMT. | 2,233.14 | 22ND |
| NELSON PLASTICS #2 | \$ 32,211.51 | 638.19 | 04/09/2010 4/10 PMT. | 798.26 | 1ST |
| SKINZ PROTECTIVE GEAR #3 | \$ 98,523.21 | 296.95 | 04/09/2010 4/10 PMT. | 732.84 | 10TH |
| PAYNESVILLE TOTAL ENT. CENTER | \$ 4,206.40 | 172.10 | 04/06/2010 4/10 PMT. | 205.17 | 1ST |
| QUEEN BEE'S BAR & GRILL INC. | \$ 91,575.35 | 1335.85 | 11/18/2009 9-11/09 PMTS. | 2325.90 | 20TH |
| HABBen (AJ PROPERTIES) | \$ 1,518.10 | 104.59 | 03/17/2010 3/10 PMT. | 110.00 | 1ST |
| HARTMANN, R/M #1 116 WASHBURNE AVE | \$ 1,411.48 | 218.57 | 04/08/2010 3-4/10 PMTS. | 220.00 | 1ST |
| HARTMANN, R/M #2 118 WASHBURNE AVE | \$ 1,411.48 | 218.57 | 04/08/2010 3-4/10 PMTS. | 220.00 | 1ST |
| CTS INVESTMENTS LTD (SIXTA) | \$ 1,409.17 | 105.35 | 04/05/2010 4/10 PMT. | 110.00 | 1ST |
| BURR, JOEL & DELANE LAKES AREA LAUNDROMAT | \$ 1,410.25 | 104.45 | 04/05/2010 4/10 PMT. | 110.00 | 1ST |
| BURR, JOEL & DELANE BURR #2 | \$ 1,724.09 | 103.31 | 04/05/2010 4/10 PMT. | 110.00 | 1ST |
| FOUR VET PARTNERSHIPS | \$ 1,722.19 | 102.51 | 04/05/2010 4/10 PMT. | 110.00 | 1ST |
| JACOBSON, MIKE #1 | \$ 1,829.68 | 102.71 | 04/12/2010 4/10 PMT. | 110.00 | 1ST |
| JACOBSON, MIKE #2 | \$ 1,829.77 | 102.71 | 04/12/2010 4/10 PMT. | 110.00 | 1ST |

PAGE 2 - RLF STATUS RPT.

| 04/12/2010 | BALANCE | PRINCIPAL | PAYMENT | AMOUNT | DUE DATE |
|------------------------|--------------|-----------|--------------------------|--------|----------|
| BOWDEN, PAUL & LISA | \$ 2,258.62 | 92.48 | 02/02/2010 12/09 PMT. | 110.00 | 1ST |
| BLOOM CORNER FLORAL | \$ 27,273.06 | 141.55 | 02/26/2010 2/10 PMT. | 314.54 | 1ST |
| BLOMGREN, KARL/MARGRET | \$ 2,132.80 | 100.84 | 04/09/2010 4/10 PMT. | 110.00 | 1ST |
| SWYTER, DENNIS/CAROLYN | \$ 2,342.59 | 100.78 | 04/06/2010 4/10 PMT. | 110.00 | 1ST |
| SCHRUPP, DAVID/PAMELA | \$ 2,436.32 | 102.77 | 04/12/2010 4/10 PMT. | 110.00 | 26TH |
| STONEBURNER, ROBERT | \$ 2,944.48 | 106.66 | 02/26/2010 3/10 PMT. | 110.00 | 1ST |
| JACKLITCH, RANDY & ANN | \$ 3,248.62 | 96.28 | 04/12/2010 4/10 PMT. | 110.00 | 1ST |

TOTAL \$ 527,270.41

Joint Loans w/Township

LATE PAYMENTS:

| | | |
|---------------------|---------|------------------|
| QUEEN BEE'S | 3101.20 | DUE 12/09 - 3/10 |
| BOWDEN | 440.00 | DUE 1-4/10 |
| BLOOM CORNER FLORAL | 629.08 | DUE 3-4/10 |
| STONEBURNER | 110.00 | DUE 4/10 |
| HABBen | 110.00 | DUE 4/10 |

TOTAL DELINQUENT \$ 4,390.28

CITY RLF BALANCE \$426,226.81 04/12/2010 Unaudited

CITY EDAP FUND **See note below (\$111,171.93) 04/12/2010 Unaudited

**HRA pmt. not applied to fund balance yet

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