

**EDAP BOARD MEETING
WISH'N WELL CAFE
MAY 21, 2013
7:00 A.M.
AGENDA**

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
- IV. OLD BUSINESS
 - A. Incubator/Industrial Park – Update
 - B. Economic Status Of Community – Update
 - C. Past Due Loans – Update
 - D. Blighted Property On Minnie St. – Update
 - E. Opportunity Park 2nd Addition - Update
 - F. Town & Country Days – Billboard
 - G. EDAP Loan - Sweet Nook Bakery
- V. INFORMATIONAL
 - A. Revolving Loan Report (page 5)
- VI. ADJOURN

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

Members: Don Pietsch, Don Wiese, Bruce Stang, Chris Stanley, Alan Habben, Jean Soine, and Kay McDaniel. 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

Committee/Council Meeting Date: May 21, 2013

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the minutes from March 19, 2013 EDAP Board Meeting.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the minutes from the March 19, 2013 EDAP Board Meeting.

**MINUTES
EDAP BOARD**

MARCH 19, 2013

Bruce Stang called the meeting to order at 7:10 a.m. Members present were Jean Soine, Gene Beavers, Chris Stanley, and Renee Eckerly, City Administrator. Also present were Marilyn Blonigen, Sweet Nook; Ken Anderson, Geronimo; and Brian Savage, Valley Industries. Don Wiese, Don Pietsch, and Alan Habben were absent.

Motion was made by Soine to approve the minutes of the October 9, 2012 and December 18, 2012 EDAP Board Meetings. Seconded by McDaniel and unanimously carried.

ELECTION OF OFFICERS

Motion was made by Stanley to elect Soine as Chair, Stanley as Vice Chair, and Eckerly as Secretary. Seconded by McDaniel and unanimously carried.

MEETING SCHEDULE

The Board consented to keep the meeting schedule the same.

GERONIMO

Anderson reported the following:

- 95 megawatt wind farm connecting to the substation west of town
- Project specifications
- Since mid 2008 Geronimo has been working with farmers
- They have had a permit since 2010 which expired in 2012, but have an extension from the MN Public Utilities Commission
- Tower recently built by Lake Henry is permanent to measure wind
- Average wind speed is 16 miles per hour
- Having difficulty selling energy
- Power companies are not forced to purchase the energy
- Fiscal cliff bill had production tax credit and gave life to the project
- Xcel Energy is asking for 200 megahertz wind power in 2013
- Geronimo is going to bid the project
- Wholesale prices for energy have declined
- Currently working with Stearns County on the road agreement
- Economic impact
- Community fund - \$19,000.00 will annually go to community projects
- Fund will be operated by volunteers who are completely independent of the Paynesville Wind Farm
- Development leases are 7 years long (2015)

SWEET NOOK

Marilyn explained the following:

- Bank and personal financing are available
- Need \$15,000.00 to make the project work for remodeling; this would be lease holder improvements
- Will be moving to the Blessing Well building
- Food inspector and building inspector have been involved and have looked at the building and equipment
- Equipment would be moved from the current location
- Collateral – could use the existing equipment
- Would be increasing staff
- Interior improvement include moving the vent, flooring, and bathroom
- The move would help the bakery grow
- Advantage is the established traffic that goes to the 4-store complex
- Would like a meeting with City staff and the building inspector prior to submitting a building permit application

TIF – VALLEY INDUSTRIES

Stanley explained the TIF process being a tax break for businesses to expand. It's an incentive to stay in the community for 9 years.

Savage reported that the building would be used for warehouse and office space. They currently lease space from Wilson and Nelson's. An Italian Company has purchased a large portion of the company and has a contract with Jeff and Brian Savage. They will be moving two other warehouses in the USA here to Paynesville. Their product is fluid components. Additional employment will be included in this project. Valley Industries purchase a lot of product from the community.

Motion was made by Stanley to approve the TIF and recommend such to the City Council. Seconded by Stang and unanimously carried.

TOWN & COUNTRY DAYS BILLBOARD

The Board discussed a sash for the Town & Country Days. Eckerly will research the process that was set at the previous meeting.

SMALL CITIES HOUSING REHABILITATION PROJECT

Eckerly gave some history on the City's relationship with Stearns County HRA. The HRA received funds from the Small Cities Grant to administer the grant on the City's behalf. Now all the people are gone from the HRA, but the City still has responsibilities and revolving funds to take care of and distribute. Eckerly has contacted Tri-CAP and they may be able to be a consultant to the City. The consulting cost can be changed to the funds in the account. The City would file the reports and Tri-CAP would help with qualifying projects. Tri-CAP found that the 2012 reports have not been filed and that the City could apply for more money to take care of more projects.

The Board wanted to know if anything can be done with Stearns County HRA since they made a commitment through the signed contract. Eckerly will check with Attorney Spooner. The Board suggested that any further action go directly to the City Council, such as Tri-CAP's consulting agreement.

EDAP FINANCE COMMITTEE MEMBERS

Motion was made by Stang to appoint Alan Habben, Bruce Stang, and Jean Soine; Kay McDaniel will be the alternate to the EDAP Finance Committee. Seconded by Stanley and unanimously carried.

NEXT MEETING

Eckerly will not be at the Tuesday, April 16, 2013 EDAP meeting. The Board consented to change it to Tuesday, April 9, 2013 at 7:00 a.m.

INCUBATOR

This item was not discussed.

ECONOMIC STATUS

This item was not discussed.

PAST DUE LOANS

Eckerly reviewed the past due loans.

BLIGHTED PROPERTY ON MINNIE STREET

No update at this time.

OPPORTUNITY PARK

The Board reviewed the layout. Eckerly reported that the Council has consented to proceed with the platting of Out Lot A.

REVOLVING LOAN REPORT

The Revolving Loan Report was reviewed.

There being no further business the meeting was adjourned at 8:30 a.m.

REVOLVING LOAN STATUS REPORT

Date of Update: 05/16/2013

Business Name	Remaining Balance	Date of last Payment	Amount of Last Payment	Current/Next Due Date
Bloom Corner Floral	\$ 18,559.91	05/06/2013	\$ 629.08	06/01/2013
Koronis Lanes	\$ 7,231.09	03/04/2013	\$ 197.79	10/01/2013
Midwest Cylinder #2	\$ 192,399.38	05/09/2013	\$ 2,115.64	06/22/2013
Queen Bee's Bar & Grill	\$ 85,942.70	04/26/2013	\$ 1,019.64	04/20/2013
Skinz #4	\$ 100,066.80	05/16/2013	\$ 637.96	06/15/2013
Skinz #5	\$ 94,409.64	05/16/2013	\$ 969.08	06/28/2013

Joint Loans w/Township

TOTAL REMAINING BALANCE \$ **498,609.52**

LATE PAYMENTS:

Queen Bee's Bar \$ 509.82 Due: 4/20/13
TOTAL DELINQUENT \$ **509.82**

CITY REVOLVING LOAN BALANCE \$ **620,545.94** updated 5/16/13 (unaudited)
CITY EDAP BALANCE \$ **107,301.82** updated 5/16/13 (unaudited)