

**EDAP BOARD MEETING  
PAYNESVILLE CITY HALL COUNCIL CHAMBERS  
APRIL 21, 2020  
7:00 A.M.**

***Some or all members of the EDAP Board may participate in this meeting by telephone, rather than being personally present at the EDAP Board's special meeting place at 221 Washburne Avenue, Paynesville, Minnesota. Members of the public can monitor the Board meeting by listening to the meeting by calling 425-436-6367 with access code: 861978.***

**AGENDA**

***\*\*\* Note location of meeting.\*\*\****

- I. CALL TO ORDER
- II. CONSENT AGENDA
  - A. Minutes (page 1)
- III. NEW BUSINESS
  - B. Discuss COVID-19 Emergency Relief Loan Application (page 4)
- IV. OLD BUSINESS
  - A. City Administrator Position Update – Schedule & EDAP's Participation – Update
  - B. Economic Status Of Community – Update
  - C. Existing EDAP Loans – Council Approved 90 Day Extension – Update
- V. INFORMATIONAL
  - A. Revolving Loan Report (page 6)
- VI. ADJOURN

**Please contact Belinda Ludwig at 320-243-3714 ext. 228 or at [belinda@paynesvillemn.com](mailto:belinda@paynesvillemn.com) if you are unable to attend the meeting in person and plan to use the conference call option by calling 425-436-6367 with access code: 861978.**

**Members: Mark Dingmann, Don Wiese, Bruce Stang, Chris Stanley, Wayne Nelson, Shawn Reinke, and Len Gilmore. Advisory Member: Belinda Ludwig.**

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 BOARD/COUNCIL ACTION

**BOARDCOUNCIL NAME: EDAP Board**

Board/Council Meeting Date: April 21, 2020

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

**ITEM DESCRIPTION: Minutes**

Prepared by: Staff

**COMMENTS:**

Please review the minutes from the February 18, 2020 EDAP Board meeting.

**ADMINISTRATOR COMMENTS:**

**BOARD/COUNCIL ACTION:**

Motion to approve the minutes from the February 18, 2020 EDAP Board meeting.

**MINUTES  
EDAP BOARD MEETING**

**FEBRUARY 18, 2020**

The meeting was called to order by Chairperson, Wayne Nelson at 7:02 a.m. Members present were Mark Dingmann, Bruce Stang, Shawn Reinke, Len Gilmore, and Belinda Ludwig, Treasurer/Acting City Administrator. Don Wiese and Chris Stanley were absent.

**Motion was made by Reinke to approve the minutes from the January 21, 2020 EDAP Board meeting. Seconded by Gilmore and unanimously carried.**

**CITY ADMINISTRATOR POSITION UPDATE**

Ludwig explained that the Council would like the EDAP Board to have an active role on the hiring of a new City Administrator. There will be activities on April 21 and 22, 2020. On April 21<sup>st</sup> the Council would like the EDAP Board to assist with giving group tours of the City and with the interview process by conducting panel interviews. The EDAP Board would like a bullet point list of where to take the candidates. Potentially, Ron Mergen should be included to assist with tours of the parks. Ludwig will send a copy of the schedule to the EDAP Board members.

**VACANT BUILDING ORDINANCE**

Discussion was held on what the intended purpose of a vacant building ordinance would be. It was stated that cities may have this ordinance to control blight and dangerous buildings in the City. There is normally a fee for the owner of the building. Some cities include both residential and commercial, while some are only commercial. Would current vacant buildings be included or grandfathered in? This ordinance would assist in knowing when there wouldn't be any water use at a property.

**Motion was made by Gilmore to research other cities and do a comparison. Seconded by Reinke and unanimously carried.**

**HOUSING INCENTIVE**

The City housing incentive was on the agenda to determine if modular homes would fit the criteria for the incentive.

**Motion was made by Reinke that all owner occupied modular homes that fit the building ordinance on a new lot in the city would fit the criteria for the housing incentive. Seconded by Stang and unanimously carried.**

## **ECONOMIC STATUS OF COMMUNITY**

Discussion was held that C & S Towing has sold and they have a revolving loan. Criteria within the loan agreement includes that they are to increase the existing full time equivalent employees from 2 to 3 within 3 years from date of loan (July 1, 2017), and that they will commit to continue its operations within the City for five years from the date of loan. The loan is for the building. Bill Spooner is researching the criteria and will draft a letter to Craig Elfering and Stacy Larson. The EDAP Board is on board to allow C & S Towing to refinance the loan under their trucking company.

## **DAYCARE**

Stang brought up the current status of daycare in Paynesville. He attended a seminar and discussed daycare being a universal problem. In some communities, churches are getting involving allowing for the use of a church during the week. Reinke stated that Swift County offers a grant in which daycare operators can apply for a grant to help them get established or assist in operating expenses. It was discussed having one in the industrial area and whether it would work for businesses to work together to build a daycare and their employees could then take their children there and the businesses could offer a subsidy whether it be paying a portion of the daycare or pay some of the daycare expenses and how this would affect current daycare operations or parents that don't work at these specific businesses.

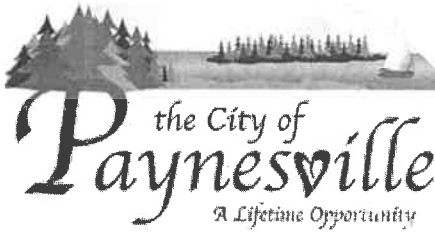
## **PAST DUE LOANS**

All revolving loans are currently up to date.

## **INFORMATIONAL**

The Revolving Loan Report and past due loans were reviewed.

There being no further business the meeting was adjourned at 8:03 a.m.



221 Washburne Ave.  
Paynesville, MN 56362  
320-243-3714

Received by City  
Approved by EDAP  
Approved by City Council  
Loan Effective  
Amount Requested

**COVID-19 Emergency Relief Loan Application**

Business Information						
Legal Business Name:				State Tax ID:		
				Federal EIN:		
<input type="checkbox"/> Individual	<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input type="checkbox"/> LLC	<input type="checkbox"/> Other -		
Physical Address:				City	State	Zip
Mailing Address:				City	State	Zip
How long has this business been in operation?						
Business Owner(s) Information						
Are you the owner of the building/property where your business is located?					<input type="checkbox"/> Yes	<input type="checkbox"/> No
How long have you owned / operated this business?						
Owner 1 Full Name:				Social Security #:		
Address:				City	State	Zip
Work Phone:		Home Phone:		Cell Phone:		
Owner 2 Full Name:				Social Security #:		
Address:				City	State	Zip
Work Phone:		Home Phone:		Cell Phone:		
If there are more than 2 owners please attach an additional sheet.						
Statement / Details regarding need and use of funds					Amount Requested	
(you may attach a detailed description to your application if needed)						
					\$	

The foregoing information is submitted in order to obtain loan funds through the City of Paynesville's COVID-19 Emergency Relief Loan Fund and is true and correct. I understand that the loan will be administered through the City of Paynesville and agree to make my payments to the City. I hereby agree to abide by all of the terms and guidelines of which I am familiar.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_ 4

## City of Paynesville COVID-19 Emergency Relief Loan Program

### Guidelines

- The Loan Fund will be made available to existing commercial businesses located in the City of Paynesville.
- Borrower must demonstrate the ability to repay the loan.
- No owner match is required.
- Funds are intended to help Paynesville businesses who have been affected by the circumstances surrounding the COVID-19 pandemic.
- Borrower(s) must attach a copy of current driver's license(s).
- To participate in this program, all accounts owing to the City of Paynesville must be current (taxes, special assessments, utilities, other loan programs) *the EDAP Board will consider releasing this requirement on a case-by-case basis.*

### Awarding of Loans

- The EDAP Board will review all loan applications for eligibility.
- Loans are awarded on a first-come, first served basis. First-come meaning – all required documentation has been submitted and approved.
- Funds will be released immediately after required documents have been signed.

### Loan Terms

- Loans will be granted at the current Prime interest rate; however, interest will be deferred for 6 months from the date of the loan.
- The maximum term will be up to 5 years.
- The maximum loan amount will be up to \$20,000 per business.
- Loan payments are required to be set up on monthly direct deposit into the City's account.
- Repayment shall start 6 months from the date the loan was awarded/approved.
- A Promissory Note and Personal Guaranty are required as security for the loan.
- In the case of nonpayment the loan will be turned over to the City Attorney and/or the State of Minnesota Revenue Recapture for collection.

### Checklist

- Completed and signed application
- Copy of borrower(s) Driver's License(s)
- Direct Deposit Forms (upon approval)
- Proof of ability to repay the loan
- Detailed information regarding how your business has been negatively affected by the COVID-19 pandemic, what your needs are, and how the money will be used.

**Questions can be addressed to Acting City Administrator, Belinda Ludwig at  
320-243-3714 or at [belinda@paynesvillemn.com](mailto:belinda@paynesvillemn.com)**

5

## REVOLVING LOAN STATUS REPORT

Date of Update:

4/7/2020

Business Name	Outstanding Balance	Date of last Payment	Amount of Last Payment	Current/Next Due Date
C & S Towing Inc	\$ 66,975.22	3/2/2020	\$ 455.76	4/1/2020
Eats & Treats	\$ 7,473.40	3/13/2020	\$ 180.00	4/3/2020
William Fuchs	\$ 5,885.04	3/2/2020	\$ 98.89	5/13/2020
Koronis Lanes Refinance	\$ 24,517.22	3/2/2020	\$ 628.55	10/1/2020
Koronis Living LLC	\$ 9,920.86	2/20/2020	\$ 300.00	3/13/2020
Lamb Labor Services #3	\$ 3,075.83	3/30/2020	\$ 161.72	5/1/2020
Queen Bee's Bar & Grill	\$ 62,973.42	3/13/2020	\$ 700.00	5/20/2020
Safe Basements Inc.	\$ 195,245.24	3/9/2020	\$ 2,590.96	5/1/2020
Savage Land Partnership	\$ 248,582.70	3/24/2020	\$ 1,957.36	6/3/2020
Todd & Lauri Lokken	\$ 33,148.70	4/7/2020	\$ 471.70	5/17/2020
Joint Loans w/Township				
Joint Loans w/State				
<b>TOTAL OUTSTANDING BALANCE</b>	<b>\$ 657,797.63</b>			
<b>LATE PAYMENTS:</b>				
<b>TOTAL DELINQUENT</b>	<b>\$ -</b>			
<b>CITY REVOLVING LOAN BALANCE (available)</b>		<b>\$ 396,031.08</b>	<b>2/29/2020</b>	<i>(unaudited)</i>
<b>CITY EDAP BALANCE</b>		<b>\$ 366,916.28</b>	<b>2/29/2020</b>	<i>(unaudited)</i>
<b>TOWNSHIP LOAN BALANCE (available)</b>		???		

6