

**EDAP BOARD MEETING
PAYNESVILLE CITY HALL COUNCIL CHAMBERS
MAY 19, 2020
7:00 A.M.**

Some or all members of the EDAP Board may participate in this meeting by telephone or zoom 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 EDAP Board meeting by contacting Belinda Ludwig at 320-243-37814 ext. 228 or belinda@paynesvillemn.com by noon on the day prior to the meeting to make arrangements via telephone or zoom.

AGENDA

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

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
 - A. COVID-19 Emergency Relief Loan Applications:
 - 1. Koronis Lanes (page 3)
 - 2. Bill Fuchs Motor Sports (page 4)
- IV. OLD BUSINESS
 - A. City Administrator Position – Update
 - B. Economic Status Of Community – Update
 - C. Existing EDAP Loans 90 Day Extension – Update
- V. INFORMATIONAL
 - A. Revolving Loan Report (page 6)
- VI. ADJOURN

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: May 18, 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 April 21, 2020 EDAP Board meeting.

ADMINISTRATOR COMMENTS:

BOARD/COUNCIL ACTION:

Motion to approve the minutes from the April 21, 2020 EDAP Board meeting.

MINUTES EDAP BOARD MEETING

APRIL 21, 2020

The meeting was called to order by Chairman, Chris Stanley at 7:03 a.m. Members present in person were Bruce Stang, Shawn Reinke, Len Gilmore, and Belinda Ludwig, Acting City Administrator. Members present via teleconference were Mark Dingmann and Chris Stanley. Don Wiese and Wayne Nelson were absent.

Motion was made by Gilmore to approve the minutes from the February 18, 2020 EDAP Board meeting. Seconded by Stang. Roll call vote was Reinke, yes; Stang, yes; Gilmore, yes; Dingmann, yes; and Stanley, yes. Motion unanimously carried.

COVID 19 EMERGENCY RELIEF LOAN APPLICATION

Discussion was held on an Emergency Loan Application that Stanley provided to offer emergency funding to businesses in need due to COVID-19.

Motion was made by Reinke to approve the COVID-19 Emergency Relief Loan Application with a change to the guidelines to include a bullet point that the applicant has a strong personal credit history and take to both the City council and Paynesville Township Board for approval. Seconded by Stang. Roll call vote was Reinke, yes; Stang, yes; Gilmore, yes; Dingmann, yes; and Stanley, yes. Motion unanimously carried.

CITY ADMINISTRATOR POSITION UPDATE

Ludwig stated that the interview process has been postponed from April 21st and 22nd to May 18th and 19th due to COVID-19. The schedule will remain the same, just different days at this time.

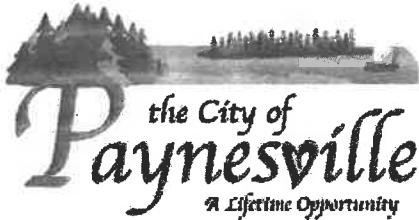
ECONOMIC STATUS OF COMMUNITY

Gilmore had a couple talk to him about putting in a Chiropractic clinic in Paynesville and asked about EDAP loans and TIF. Ludwig had someone ask her about the ability to get a liquor license for a bar and grill in a downtown location. Ludwig sent a letter on February 27th as requested by EDAP to C & S Towing about their revolving loan as they have sold their business and no longer fit the criteria of their current loan. To date she has not heard back from them. The Board asked that Ludwig send a second letter requesting they come to the next EDAP Board meeting to discuss their loan.

EXISTING LOANS

The Council made a motion at their March 23rd meeting to extend the loan due dates for 90 days due to the hardship created by COVID-19. The extension allows current EDAP loan holders the ability to not make a payment for 90 days and those payments would be added to the end of their loan. If they choose to make a payment in the next 90 day time frame, payment would all go toward principal. To date the majority of the loan holders have made their payments.

There being no further business the meeting was adjourned at 7:50 a.m.



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

Received by City 5/8/2020
Approved by EDAP
Approved by City Council
Loan Effective
Amount Requested

COVID-19 Emergency Relief Loan Application

Business Information			
Legal Business Name: Koronis Lanes		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: 119 East James st		City: Paynesville	State: MN Zip: 56362
Mailing Address: Same		City:	State: Zip:
How long has this business been in operation? 65 yrs			
Business Owner(s) Information			
Are you the owner of the building/property where your business is located?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
How long have you owned / operated this business? 30 yrs			
Owner 1 Full Name: Ricky Block		Social Security #:	
Address: 15435 263 rd AV		City: Paynesville	State: MN Zip: 56362
Work Phone: 320-243-5094	Home Phone: 320-333-3323	Cell Phone: cell	
Owner 2 Full Name: Norma Block		Social Security #:	
Address: 15435 263 rd AV		City: Paynesville	State: MN Zip: 56362
Work Phone:	Home Phone:	Cell Phone: 320-248-7073	
If there are more than 2 owners please attach an additional sheet.			
Statement / Details regarding need and use of funds (you may attach a detailed description to your application if needed)		Amount Requested	
Sales tax Reegate taxes utility's Have been close no income since March 18 th mortgage		\$ 10,000	

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: Ricky Block

Date: 5-8-20

Signature: Norma G Block

Date: 5-8-20



221 Washburne Ave.
Paynesville, MN 56362
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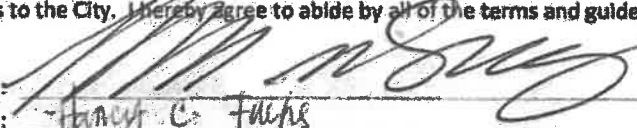
FOR OFFICE USE ONLY

Received by City 5/6/2020
Approved by EDAP
Approved by City Council
Loan Effective
Amount Requested

COVID-19 Emergency Relief Loan Application

Business Information					
Legal Business Name: BILL FUCHS MOTORSPORTS				State Tax ID:	
				Federal EIN:	
<input checked="" type="checkbox"/> Individual	<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input type="checkbox"/> LLC	<input type="checkbox"/> Other -	
Physical Address: Bill Fuchs Motorsports 201 Minnie St		City:	State:	Zip:	
Mailing Address: Paynesville, MN 56362		City:	State:	Zip:	
How long has this business been in operation? 3+ YEARS					
Business Owner(s) Information					
Are you the owner of the building/property where your business is located?				<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
How long have you owned / operated this business? 3+ YEARS					
Owner 1 Full Name: WILLIAM M FUCHS			Social Security #:		
Address: 372 GENESEE ST.		City: PAYNESVILLE	State: MN.	Zip: 56362	
Work Phone: 320-237-3510	Home Phone: SAME	Cell Phone: SAME			
Owner 2 Full Name: HANCY C FUCHS			Social Security #:		
Address: SAME		City:	State:	Zip:	
Work Phone: ?	Home Phone:	Cell Phone: 320-282-2177			
If there are more than 2 owners please attach an additional sheet.					
Statement / Details regarding need and use of funds (you may attach a detailed description to your application if needed)				Amount Requested	
SEE ATTACHED DOC.				\$ 20,000	

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: 
Signature: **Hancy C. Fuchs**
Date: **5-6-2020**
Date: **5-6-2020**

4

To: City of Paynesville EDAP committee

5-6-2020

From: Bill & Hancy Fuchs

This letter is intended as an attachment to my "COVID-19 Emergency Relief Loan Application" as a "statement/details regarding need and use of funds".

Thank You for the opportunity to apply for this loan. Although we are still open for business during these challenging times we have seen a drop in business and a corresponding drop in revenue. This drop in revenue would not be as significant of a concern had I not started an expansion project in January 2020.

Details and time line for BFM "fabrication shop" expansion:

- January 2020- Invested \$20,000 into converting 2500 square foot cold storage warehouse addition (2019) into a welding, fabrication, and industrial chain assembly area.
- February 2020- negotiated the purchase of an existing Paynesville downtown building from Bob and Lois Pirsig located at 101 Washburne Ave to be utilized as warehouse space.
- June 30th 2020-close on property at 101 Washburne Ave
- July 2020- clean up property and perform many years of "deferred maintenance".
- Late 4th quarter of 2020- add an additional full time employee working in the fab and machine shop.

My intended use for this loan:

- The "second half deferred down payment" to the Pirsig's which is due the first week of January 2021 in the amount of \$10,000
- Approximately \$5000 for the repairs and upgrades at 101 Washburne
- Approximately \$5000 as operating capital to cover the lag between setting up the new business area and utilization.

Feel free to contact me with any questions or concerns. Best Regards, Bill 320-237-3510

5

REVOLVING LOAN STATUS REPORT

Date of Update:

5/7/2020

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	\$ 7,293.40	4/14/2020	\$ 180.00	5/3/2020
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	\$ 9,720.86	5/1/2020	\$ 200.00	4/13/2020
Lamb Labor Services #3	\$ 2,914.11	4/27/2020	\$ 161.72	6/1/2020
Queen Bee's Bar & Grill	\$ 61,573.42	4/13/2020	\$ 1,400.00	7/20/2020
Safe Basements Inc.	\$ 192,654.28	4/10/2020	\$ 2,590.96	6/1/2020
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				
TOTAL OUTSTANDING BALANCE	\$ 653,264.95			
LATE PAYMENTS:				
TOTAL DELINQUENT	\$ -			
CITY REVOLVING LOAN BALANCE (available)	\$ 402,595.34	3/31/2020		<i>(unaudited)</i>
CITY EDAP BALANCE	\$ 366,023.14	3/31/2020		<i>(unaudited)</i>
TOWNSHIP LOAN BALANCE (available)	???			

4