

**EDAP BOARD MEETING
PAYNESVILLE CITY HALL COUNCIL CHAMBERS
FEBRUARY 16, 2021
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 Kristin Leither at 320-243-3714 ext. 247 or kleither@paynesvillemn.com by noon on the day prior to the meeting to make arrangements via telephone or Zoom.

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
 - A. EDAP Loan Forgiveness (page 4)
- IV. OLD BUSINESS
 - A. Economic Status Of Community – Update
 - B. Past Due Loans – Update
- V. INFORMATIONAL
 - A. Revolving Loan Report (page 5)
- VI. ADJOURN

Members: Mark Dingmann Township Board Member
??? – Chamber Representative
Lorrie Gottwald – Township Representative
Bruce Stang – Township Representative
Chris Stanley – City Representative
Wayne Nelson – Pay Del Co Representative
Megan Brick – City Council
Jean Soine – City Council
Tariq Al-Rifai – Advisory Member

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: February 16, 2021

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the minutes from the January 19, 2021 EDAP Board meeting.

ADMINISTRATOR COMMENTS:

BOARD/COUNCIL ACTION:

Motion to approve the minutes from the January 19, 2021 EDAP Board meeting.

MINUTES EDAP BOARD MEETING

JANUARY 19, 2021

The meeting was called to order at 7:00 a.m. by Chairperson Chris Stanley. Other members present were Mark Dingmann, Bruce Stang, Wayne Nelson, Megan Brick, and Jean Soine. Tariq Al-Rifai, City Administrator and Ron Mergen, Public Works Director were also in attendance. The Chamber representative and Lorrie Gottwald were absent.

Motion was made by Stang to approve the minutes from the December 15, 2020 EDAP Board meeting. Seconded by Nelson and unanimously carried.

ELECTION OF OFFICERS

Motion was made by Dingmann to elect Stanley as Chairperson, Nelson as Vice Chair, and Al-Rifai as Secretary. Seconded by Stang and unanimously carried.

BOARD MEMBERSHIP

Members reviewed the Joint Powers Agreement and the makeup of the board. It was noted this is an 8-person Board now. The 8 members were not an issue for the Board members. The Board make up is as follows:

The Joint Economic Development Board of the City of Paynesville and Paynesville Township shall consist of eight (8) members including:

- two (2) of whom must be members of the City Council (Jean Soine & Megan Brick)
- one (1) of whom must be a member of the Town Board of Paynesville Township (Mark Dingmann)
- five (5) at large members:
 - one (1) from the Chamber of Commerce Board (Unknown)
 - one (1) Pay Del Co member (Wayne Nelson)
 - two (2) of which are recommended by the Town Board of Paynesville Township (Bruce Stang & Lorrie Gottwald)
 - one (1) final member recommended by the City Council (Chris Stanley)

The Mayor of the City of Paynesville shall appoint all eight (8) members with the approval of the Council. Members terms shall be for six (6) years and shall rotate in accordance with M.S.A. §469.095.

There was a motion by Stang to approve the Board membership and recommend such to Council. Seconded by Dingmann and unanimously carried.

MEETING SCHEDULE

Motion was made by Nelson to set the EDAP Board meetings for 7:00 a.m. on the third Tuesday of each month at City Hall until COVID-19 restrictions are removed. Seconded by Soine and unanimously carried.

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APPOINTMENT OF EDAP FINANCE SUB-COMMITTEE MEMBERS

Motion was made by Dingmann to appoint Chris Stanley, Bruce Stang, Council Member – Megan Brick, Chelsey Mueller, and Council Member – Jean Soine (alternate) to serve at the EDAP Board Finance Sub-Committee. Seconded by Stanley and unanimously carried.

BILLBOARD

Al-Rifai reviewed the proposal to update the billboard at a cost of \$1,200.00. The first sign promotes the City's housing incentive. The second sign advertises City employers now hiring.

Motion was made by Brick to approve \$1,200.00 to update the billboard as proposed and recommend such to the City Council. Seconded by Soine and unanimously carried.

COVID BUSINESS STIMULUS

It was suggested to give business that have been impacted by COVID-19 a local stimulus. A number to consider was \$3,400.00; which is the amount reimbursed to each liquor license holder. Members noted that the liquor license is a reimbursement of fees, other business have not paid fees to the City. It would be very difficult to have a fair and consistent program. In addition, the City already has the COVID-19 Emergency Loan Program. No action was taken at this time.

ELECTRIC VEHICLE CHARGING SYSTEM

It was reported that the level one grant is geared more towards a corridor type contractor. The level two grant is geared more toward local communities. The cost for a charging system is estimated at \$15,000.00 to \$20,000.00 each; with two stations required. The grant will cover up to \$7,500.00. The City will need to find a location with access to power. Members suggested to follow up on the next round of grants. The first round of grants is due February 8, 2021.

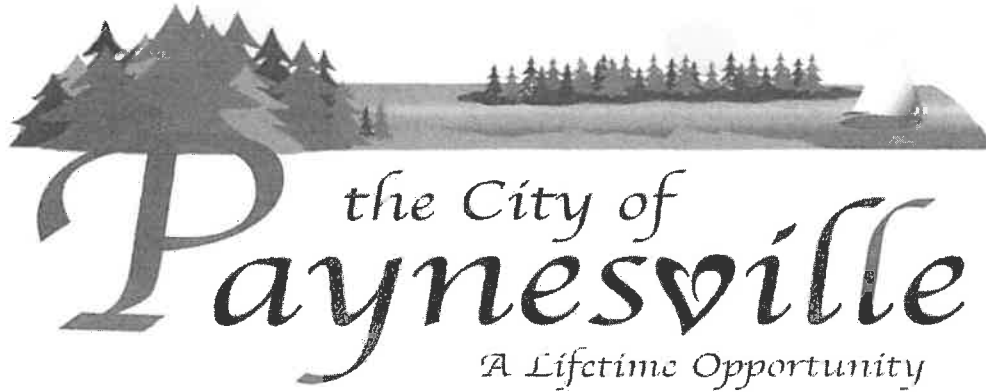
COMMUNITY AMENITY SIGNAGE

There was not an update available on this.

CHAMBER BUCKS

Members discussed the limited number of locations that accept Chamber Bucks in Paynesville. It was stated that if this idea proceeds, it should come from the Chamber of Commerce.

There being no further business, the meeting was adjourned at 7:45 a.m.



EDAP Board
Chris Stanley, Chair
221 Washburne Ave.
Paynesville, MN 56362

Re: EDAP Loan Forgiveness

Dear Chair Stanley and EDAP Board Members,

At the end of 2020, the City Council voted to refund liquor licenses for businesses in town affected by the COVID-19 pandemic and accompanying business closures. A local small business owner approached me after that vote and asked if their business could also seek some form of relief as they do not have a liquor license but saw a significant decline in business.

The owner suggested a unique approach, which I believe deserves some consideration by the Board. Instead of refunding money paid or a direct stimulus, the owner suggested a credit towards their outstanding EDAP loan in the amount of \$3,400.00, which is the amount equivalent to the liquor license. Such a credit directly frees up funds for the business owner and any other applicant with an outstanding EDAP loan while costing the City and Township very little.

As of January 13, 2021, the City of Paynesville's EDAP loan fund had a balance of \$437,121.88. In the last two years, only one EDAP loan has been applied for and approved. I understand that the purpose of those funds is to help provide financing for businesses at startup or expansion, but with the limited use of the funds and the significant need, I believe a one-time credit for struggling businesses is a noble and justified use of the funds.

Accordingly, I ask that the Board consider recommending to the City Council an EDAP loan forgiveness program where businesses with EDAP loans might apply for a one-time reduction in loan principle in the amount of \$3,400.00 where there is a demonstrated COVID-19 revenue loss.

Thank you,


-Shawn C. Reinke, Mayor

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REVOLVING LOAN STATUS REPORT

Date of Update:

2/8/2021

Business Name	Outstanding Balance	Date of last Payment	Amount of Last Payment	Current/Next Due Date
C & S Towing Inc	\$ 65,124.48	1/27/2021	\$ 455.76	3/1/2021
Eats & Treats	\$ 5,824.80	1/29/2021	\$ 180.00	3/3/2021
Koronis Lanes Refinance	\$ 22,494.42	2/1/2021	\$ 628.55	3/1/2021
Koronis Lanes Covid Emergency	\$ 9,697.46	2/1/2021	\$ 180.80	2/26/2021
Koronis Living LLC	\$ 6,927.13	1/13/2021	\$ 300.00	2/13/2021
* Queen Bee's Bar & Grill	\$ 57,975.60	2/8/2021	\$ 700.00	4/20/2021
* Safe Basements Inc.	\$ 173,926.57	1/22/2021	\$ 2,590.96	3/1/2021
* Savage Land Partnership	\$ 233,887.55	1/24/2021	\$ 1,957.36	4/3/2021
* Todd & Lauri Lokken	\$ 31,960.25	2/8/2021	\$ 471.70	3/17/2021
* Joint Loans w/Township				
TOTAL OUTSTANDING BALANCE	\$ 607,818.26			
LATE PAYMENTS:				
TOTAL DELINQUENT	\$ -			
CITY REVOLVING LOAN BALANCE (available)	\$ 446,688.56	12/31/2020	<i>(unaudited)</i>	
CITY EDAP BALANCE	\$ 396,628.77	12/31/2020	<i>(unaudited)</i>	
TOWNSHIP LOAN BALANCE (available)	???			

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