

**MINUTES
SPECIAL EDAP BOARD MEETING**

JULY 19, 2017

Jean Soine called the meeting to order at 7:00 a.m. Members present were Len Gilmore, Chris Stanley, Don Pietsch, Bruce Stang, and Wayne Nelson. Don Wiese was absent. Also present were Steve Atkins, Lori Trebil, and Jesse Trebil all from Safe Basements.

Motion was made by Stanley to approve the minutes of the May 31, 2017 EDAP Board meeting. Seconded by Stang and unanimously carried.

EDAP LOAN – SAFE BASEMENTS OF MINNESOTA

The following was reported:

- Been in business since 1991
- Product line is new – would be in Paynesville, couple patents
- Foundation repair companies have acquired multiple companies
- Florida company wants everything out by December
- Growth rate is 25% per year and doesn't see any decrease
- Need 20,000 square feet for the ability to relocate the Florida company to here
- Highway access were issues
- Made offer to Hawksworth which was accepted in the amount of \$1.55 million dollars
- Steel manufacturing and plastic products
- Reviewed how their company does business with repairing basements
- Their request is \$1.9 million dollars for the relocation from Florida
- Home State Bank of Willmar and SBA are also included in financing
- Safe Basements are moving in now as Skinz is moving out
- \$250,000.00 – collateral would be on the equipment; \$120,000.00 just from Florida equipment which they are purchasing at 30% of value
- MN DEED MIF would work for equipment
- The company is too large to put into one facility
- Working capital – EDAP doesn't fund
- \$50,000.00 for job training and inventory build job creation; 2 – Florida, 1 – programing, 10-15 people in shop right now
- EDAP application will be in today
- Time frame was discussed
- 0% lease, closing September 1, 2017
- Bank loan has been approved, SBA is in the process
- Skinz would be able to pay off their two loans
- Finance Sub-Committee needs to meet ASAP
- Louis Industries has made parts for Safe Basements

Eckerly will contact DEED today and get a Finance Sub-Committee meeting set for Monday, June 24, 2017 at 11:00 a.m. with Stanley, Stang, Soine, and possibly Mueller. Soine is not available Monday from 1-2 p.m.

There will be a Special EDAP Board meeting on Monday, July 31, 2017 at 7:00 a.m. at Wish'n Well Café. Jesse Trebil will be invited to the meeting.

Appraisal – One was completed a couple years ago and one is going to be done again now by the same company.

Prime is currently 4.25% so interest would be 4.50%. A third mortgage helps them stretch to 20 years.

The Board discussed a 50:50 EDAP Loan split with Paynesville Township.

ECONOMIC STATUS OF COMMUNITY

The Board discussed the following:

- Kwik Trip
- Daniel Funeral Home
- Community Apartments Phase 2
- Queen Bee's EDAP Loan will be ballooning in December of 2017

INFORMATIONAL

The Revolving Loan Report was reviewed.

There being no further business the meeting was adjourned at 8:10 a.m.