

**MINUTES
SPECIAL EDAP BOARD MEETING**

SEPTEMBER 5, 2018

Jean Soine called the meeting to order at 7:00 a.m. Members present were Len Gilmore, Chris Stanley, Wayne Nelson, Bruce Stang, and Renee Eckerly, City Administrator. Don Wiese and Don Pietsch were absent.

There were no minutes presented for approval.

EDAP LOAN – TODD & LAURI LOKKEN

The Lokken's would like to move Blue Stem Flower Shop and build a pole barn type structure on the first three commercial lots (lots 4-7) in Wilglo. They have made an offer on the first seven lots for \$125,000.00. They have a floral and greenhouse background. Total cost of the project is \$267,000.00. They have a \$50,000.00 line of credit for equipment through SBA. The Credit Union will finance 80%. The Credit Union appraised the land and building at \$343,000.00. The Lokken's are looking at selling the residential lots and the sale of these lots would go directly onto the payment of the loan. The lots will be listed between \$18,500.00 - \$20,000.00. The project is projecting \$142,000.00 in sales, which is conservative. They are contributing \$120,000.00 of their own cash. There will be a hoop type structure that meets Minnesota wind, snow and drift load for floral and nursery. The last commercial lot will be used for growing. It was suggested to approve \$35,000.00 for 20 years with a 10 year balloon at 5.25% interest for the land purchase. The Township would be participating in this loan.

The EDAP Finance Sub-Committee gave a report and the Board reviewed the loan.

Motion was made by Nelson to approve the EDAP Loan for \$35,000.00 for 20 years with a 10 year balloon (2nd mortgage) at 5.25% interest with Paynesville Township participating and recommending such to the City Council. Seconded by Stang and passed (Stanley abstained).

The closing date is scheduled for September 17, 2018.

ECONOMIC STATUS OF COMMUNITY

The City Council has rescinded its motion on a purchase agreement for the former Corner Drug Building due to its connection to Eats & Treats. The Board discussed the property in Opportunity Park and options and looking into ideas for the property. It was noted that the Pilgrim Inn in Regal is back open.

INFORMATIONAL

The Revolving Loan Report was reviewed.

There being no further business the meeting was adjourned at 7:55 a.m.