

MINUTES EDAP BOARD MEETING

SEPTEMBER 15, 2015

Jean Soine called the meeting to order at 7:00 a.m. Members present were Bruce Stang, Kay McDaniel, Chris Stanley, Wayne Nelson, and Renee Eckerly, City Administrator. Don Wiese and Don Pietsch were absent. Also in attendance was Bill Fuchs.

Motion was made by Stanley to approve the minutes from the July 21, 2015 EDAP Board meeting. Seconded by McDaniel and unanimously carried.

EDAP LOAN – BFM, LLC (BILL FUCHS MOTOR SPORTS)

Bill Fuchs updated the Board on his plans to open a business. He has now found a new location and has a purchase agreement on the new property, but is still seeking a \$10,000.00 EDAP Loan. There will be one full-time mechanic; light and general automotive machining. Fuchs has \$20,000.00 of his own money to invest. Fuchs has a one year signed lease for an apartment up front in the building. Fuchs has spoken with Jennifer Welling regarding zoning and will need a Conditional Use Permit. Fuchs will use a phase convertor for now and then put in 3-phase electricity. The Board discussed the tax value and tax payable. The purchase amount is \$92,500.00. The building has been on the market since May of 2014.

Motion was made by Stang to approve the EDAP Loan in the amount of \$10,000.00 for BFM, LLC (Bill Fuchs Motor Sports) at 3.5% interest for 10 years with a 2nd mortgage on the building; contingent on a final report from the EDAP Finance Sub-Committee and recommend such to the City Council. Seconded by Nelson and passed. Stanley abstained.

HOUSING INCENTIVE

Eckerly explained the locations of where developable lots are located for housing. Eckerly handed out examples of what other cities are advertising for new housing incentives. The Board discussed incentives to developers to purchaser to develop in the City. Get Tri-CAP back into the community and get back 1st time home buyers. The City purchase the lot, sell the lot to a developer, and borrow the cost of the lot at 0% interest until the house sells.

BILLBOARD

The Board discussed this and didn't want pursue it at this time. There are better ways to advertise positions that are available.

EDAP LOAN – A LITTLE RETAIL THERAPY

The profit and loss figures were emailed to Al Habben; however, the Board has not received a report from Mr. Habben. The Board discussed that inventory is not good collateral. Operating capital is not what EDAP lends money for. The EDAP Board does not approve loans for operating capital. The Board was not aware of how the loan would generate enough money for the future of the business.

(Stanley left at 8:00 a.m.)

Motion was made by Stang that based on the information received to deny the EDAP Loan to A Little Retail Therapy. Seconded by Nelson and passed. (McDaniel abstained).

INFORMATIONAL

The Revolving Loan Report was reviewed.

There being no further business the meeting was adjourned at 8:35 a.m.