

City of Eagle Lake Economic Development Authority Meeting
May 24, 2018
Council Chambers, 705 Parkway Ave, Eagle Lake MN 56024

Call to Order

The meeting was called to order by Chairman Hughes at 7:01 a.m.

Members Present: Chairman Brian Hughes, John Whittington, Jim Beal, and Brooke Wach

Members Absent: Christine Black-Hughes, John Ries, Dennis Terrell

Staff Present: Jennifer Bromeland and Kerry Rausch

Guests: Mark Kapfer, Linda Roth, Jason Hammond, Greg Brandt

Approval of Agenda

Jim moved, seconded by Brooke Wach, to approve agenda. Motion carried with Hughes, Whittington, Beal, and Wach voting in favor.

Treasurer's Report

Jim Beal moved, seconded by John Whittington, to approve treasurer's report as presented. Motion carried with Hughes, Whittington, Beal, and Wach voting in favor.

Business

1. Review and Consider SCDP Loan Forgiveness Request: Linda Roth on behalf of Allen and Dorothy Kapfer.
 - Linda Roth and Mark Kapfer presented request stating the sale of the property is closing later today and proceeds from sale will not cover the full amount of loan. They also stated the reason for the sales is due to unforeseen medical hardships and state requirements. Any remaining funds from proceeds of sale would be used to pay off other debt.
 - Administrator Bromeland explained that in 2015 the City Council minutes documented a request moved for a property owner who sold their property and stayed within city limits in which the City Council allowed a 20% repayment.
 - Administrator Bromeland confirmed that while the EDA is an advisory board, the City Council would most likely approve the EDA's recommendation
 - Jim Beal recused himself from voting due to professional interests.
 - Discussion included the need to develop a hardship provision to the loan forgiveness program.
 - John Whittington moved, seconded by Brian Hughes, to accept 20% of original loan as the repayment amount based on the fact that there are only 18 months remaining on the loan and a medical hardship was demonstrated. Motion carried with Hughes, Whittington, Beal, and Wach voting in favor.
 - The recommended 20% repayment amount is \$4,189.00.

2. Review and Discuss Eligibility of Potential Projects at Epiphany Lutheran Daycare and Pre-School Center for Forgivable Loan Application: Greg Brandt
 - Greg Brandt, Epiphany Preschool Board member was present to learn more about the Daycare Loan Forgiveness Program. He presented history of the preschool and daycare stating the daycare is currently at capacity and presented how potential funds could be used.
 - The EDA recommended that a firm list be prepared if the daycare would like to proceed with the loan process.
 - The EDA asked that clarification be obtained as to the repayment schedule if a daycare goes out of business.
3. Review Supporting Information for Hammond Home Daycare Privacy Fence Forgivable Loan Application
 - Jason Hammond, on behalf of his wife Lisa, presented fence cost of \$13,745, benefits and financial documents and stated they would be using a local contractor to install the fence. The daycare has 5 openings but will does not want to take any more children until a fence is installed.
 - Administrator Bromeland explained that if the EDA is comfortable making a recommendation to the City Council this item could be brought before the the City Council at the June 4, 2018 meeting. It would then on to Blue Earth County for approval.
 - Jim Beal moved, seconded by Brian Hughes, to approve loan request in the amount of \$10,000. Motion carried with Hughes, Whittington, Beal, and Wach voting in favor.
4. Update Regarding Purchase of Property at 301 Parkway Avenue
 - Administrator Bromeland explained where we are at in this process and what needs to happen prior to the closing. The city's attorney has recommended title insurance which the EDA agreed with. Discussed need to verify if seller is working with an attorney.
 - Estimated closing date is June 1, 2018
5. Update Regarding Sale of Property to Kim and Ben Daschner
 - The closing for sale of parcel has been set.
6. Business Space Availability
 - Discussion centered around REDA notification of potential business interests in the greater Mankato area.
 - The City needs to update our list of available commercial lots and the appropriate contacts.
 - Jim Beal will invite a Greater Mankato Growth member to attend an EDA meeting.
 - Discussion relating to building a commercial spec building also took place.
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Adjournment

Brooke Wach moved, seconded by Jim Beal to adjourn the meeting at 8:21 a.m. Motion carried with Hughes, Whittington, Beal, and Wach voting in favor.