

NORTHEAST ECONOMIC DEVELOPMENT, INC. – NED, INC.
BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 22, 2017 - 7:00 P.M.

City of Norfolk Offices – Training Room, 309 N 5th St, Norfolk, NE 68701
Boone County Economic Development Agency – 233 S 4th, Albion, NE 68620
City of Columbus Office – 1st Floor Conference Room, 2424 14th St, Columbus, NE 68601
City of Hartington Offices – Conference Room, 107 W. State St., Hartington, NE 68739
West Point Chamber of Commerce – 200 Anna Stalp Ave, West Point, NE 68788
City of Wayne – City Council Chambers, 306 Pearl St., Wayne, NE 68787

MINUTES

- I. Call to Order:** The Northeast Economic Development, Inc. (NED, Inc.) Board of Directors meeting was called to order at 7:02 p.m. by NED, Inc. President Nancy Braden. Nancy Braden informed the public about the location of the Open Meetings Act LB 898 and that it is accessible to the public.
- II. Roll Call:** NENEDD Administrative Assistant, Danielle Lammers, read roll call.

Board Members Present:

Nancy Braden, NED, Inc. President, City of Wayne (Wayne)
Tina Biteghe Bi Ndong, NED, Inc. Secretary/Treasurer, West Point Chamber of Commerce (West Point)
John F. Lohr, NED, Inc. Board Member, NeighborWorks, Northeast Nebraska, Columbus (Columbus)
Nadine K. Hagedorn, NED, Inc. Board Member, BankFirst (West Point)
Brad Albers, NED, Inc. Board Member, Pierce County Commissioner (Norfolk)
Loren Kucera, NED, Inc. Vice President, Nebraska Business Development Center (NBDC), Wayne (Norfolk)

Board Members Absent:

Megan Weaver, NED, Inc. Board Member, Wayne Community Housing Development Corporation

Others Present:

Mayor Shannon Stuchlik, NENEDD Chairman, City of Pierce (Norfolk)
Dick Pfeil, NENEDD Secretary/Treasurer, Norfolk City Council (Norfolk)
Dan Kathol, NENEDD Board Member, Hartington Community Development Corporation (Hartington)
Ken Luettel, NENEDD Board Member, Boone County Commissioner (Albion)
Christian Ohl, NENEDD Board Member, Madison County Commissioner (Norfolk)
Jim McCarville, NENEDD Board Member, Northeast Community College (Norfolk)
David Gutshall, NENEDD Council of Officials Stanton County Commissioner (Norfolk)
Thomas L. Higginbotham, Jr., NENEDD (Norfolk)
Tina M. Engelbart, NENEDD (Norfolk)
Kristen Rosner, NENEDD (Norfolk)
Judy Joy, NENEDD (Norfolk)
Jeff Christensen, NENEDD (Norfolk)
Danielle Lammers, NENEDD (Norfolk)

- III. Introduction of Guests:** NED, Inc. President Nancy Braden asked everyone attending the meeting to introduce themselves to the group.
- IV. Secretary's Report**
- A. Approve the February, 2017 Agenda and December, 2016 Minutes:** Nadine Hagedorn made a motion to approve the February, 2016 agenda and the December, 2016 board meeting minutes. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried.
- V. Treasurer's Report**
- A. December, 2016 and January, 2017 Treasurer's Report:** NENEDD Fiscal Officer Kristen Rosner presented the report. Loren Kucera made a motion to approve the December, 2016 and January, 2017 Treasurer's Report as presented. Brad Albers seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried.
- VI. Action Items**
- A. Down Payment Assistance Applicant #101354:** NENEDD Housing Loan Specialist Judy Joy presented. NENEDD staff has reviewed the application and is recommending approval for down payment assistance in the amount of \$25,800 for applicant #101354. Tina Biteghe Bi Ndong made a motion to approve applicant #101354 for down payment assistance in the amount of \$25,800. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried.
- B. Approve a \$85,000 loan and accept \$90,000 CDBG/NDO loan for Logemann Auto Parts & Machine, LLC – West Point:** NENEDD Business Loan Specialist presented. F & M Bank in West Point is considering a loan of up to \$350,000 for this project. The bank's loan will be amortized over 15 years at an interest rate of 5.49% (variable). The bank will secure its loan with the 1st lien on all company owned chattels and company fixtures, and personal guarantees. NED, Inc. will lend \$85,000 for the purchase of inventory, equipment & fixed assets. The \$85,000 NED, Inc. loan will have a term of 15 years at an interest rate of 5.00% (fixed). The City of West Point will lend \$90,000 for this project. These funds will be sub-granted to NED, Inc. as a NDO, who will in turn lend the \$90,000 to Logemann Auto Parts & Machine, LLC for this project. The \$90,000 NDO loan will have a 15 year term at 2.75% (fixed). Payments will be made to NED, Inc., thus resulting in a \$175,000 loan with NED, Inc. This is the process approved by the Nebraska DED to de-federalize CDBG funds in our local communities. Tina Biteghe Bi Ndong made a motion to approve a NED, Inc. loan of \$85,000 for the purchase of the business assets (no real estate) of Stigge Machine and accept the sub-granted \$90,000 CDBG funds from the City of West Point utilizing the No-Profit Development Organization (NDO) process. The total of \$175,000 will be loaned to Logemann Auto Parts & Machine, LLC for the purchase of the assets (no real estate) of Stigge Machine as presented and recommended by NENEDD staff, the Northeast RLF Committee, and West Point Loan Committee. Nadine Hagedorn seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver

C. Quarterly Loan Review: NENEDD Fiscal Officer Kristen Rosner presented. NED, Inc. staff is requesting write offs for four clients. Client # 01120 is a DPA client from 2002 who's house was in a trustee's sale in 2003; NED, Inc received bankruptcy notice in 2006; requesting write-off of \$4,000. Client # 4752 is an OOR client from 2005 with a 50/50 loan; payback portion has been satisfied; property has been deemed un-insurable and client is also behind on property taxes; requesting write-off of \$354.77. Client # 06104 is a DPA client from 2006; client married in 2008, then passed away in 2011; widow has moved away; US Bank purchased property in November, 2016; requesting write-off of \$17,000. Client # 01223 is a DPA client from 2007; home purchased by US Bank in 2014; no notice of foreclosure or sale of conveyance received by NED, Inc.; requesting write-off of \$15,400. Loren Kucera made a motion to write-off the amount due from clients 01220, 4752, 06104 and 01223. Tina Biteghe Bi Ndong seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried.

D. Authorization to create, close or rename accounts and move funds to separate housing funds: NENEDD Fiscal Officer Kristen Rosner presented. The Nebraska Department of Economic Development requires separate bank accounts per funding source. The NENEDD staff recommends separating by housing activity. There are currently nine accounts associated with housing funds. Loren Kucera made a motion to give authority to the Executive Director and Deputy Director for the creation of accounts, closing of accounts, renaming of existing accounts and movement of funds to separate the housing funds by funding source and housing activity. John Lohr seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried.

VIII. President/Board Comments – None

IX. Next Meeting Date: The next Northeast Economic Development, Inc. Board of Directors meeting will be Wednesday, March 29, 2017 at 7:00 p.m. The meeting will be held by conference call. The call locations were published on March 15, 2017.

X. Adjournment: Tina Biteghe Bi Ndong made a motion to adjourn the meeting. Nadine Hagedorn seconded the motion. **AYES:** Brad Albers, Nancy Braden, Tina Biteghe Bi Ndong, Nadine Hagedorn, Loren Kucera, John Lohr. **NAYS:** None. **ABSENT:** Megan Weaver. Motion carried. Motion carried. NED, Inc. President Nancy Braden adjourned the meeting at 7:41 p.m.