

GoToMeeting Instructions for Tuesday, April 21, 2020 Caledonia EDA Meeting

Located below are some instructions for joining the virtual meeting on Tuesday. For the meeting, you will be able to either join by phone-call, face-timing on your smartphone, or by webcam on your computer. We have scheduled the online meeting to begin at 12:45 PM, although the actual EDA meeting will not begin until the regularly schedule time of 1:00 PM. We want to give everyone some extra time to get signed on before the actual meeting begins.

- **Signing on by phone call:** If you are going to be participating in the meeting by phone, then please follow these instructions. You will first dial the number: 1 (312) 757-3121 and follow the voice prompt. The prompt will then ask you to enter the access code: 649-267-261 followed by the # sign. The prompt is also going to ask for an audio code. We do not have one for this meeting. You can just hit the # sign and continue. This will get you access into the conference on GoToMeeting. If you join before I do, then it will place you on hold until I enter the meeting.
- **Signing in by computer:** If you are going to be participating by webcam on your computer, please click on the link located here: <https://global.gotomeeting.com/join/649267261> . Your computer will ask you for permission to download the program. You can click ‘Yes’ to the prompt to allow the quick download to run GoToMeeting. The download will only take a couple of minutes at most. You might want to download it before Monday night just in case there is an issue. This will grant you access to the meeting. You also do not need to make an official account on GoToMeeting in order to join.
- **Signing in my smartphone:** You can also join the GoToMeeting conference using your smartphone by using this link: <https://global.gotomeeting.com/join/649267261>. You will have to download the GoToMeeting app from the app store, but do not need to make an account to access the meeting. Your capabilities on GoToMeeting will be the same as if you were on a computer with a webcam.

We are not going to put a password on the meeting, but we are able to lock it at any time. This will prevent anyone else gaining access into the conference.

We recommend that you join the conference at 12:45 PM just in case there are any issues. GoToMeeting is fairly straightforward and easy to use. If anything comes up while you are trying to access it, please give me a call at (507) 450-1726.

Caledonia EDA Meeting

Tuesday, April 21, 2020 EDA Meeting

Tue, Apr 21, 2020 12:45 PM - 3:00 PM (CDT)

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/649267261>

You can also dial in using your phone.

United States: [+1 \(312\) 757-3121](tel:+13127573121)

Access Code: 649-267-261

New to GoToMeeting? Get the app now and be ready when your first meeting starts:

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AGENDA

CALEDONIA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING

Tuesday, April 21, 2020

1:00 P.M. via Video Conference (GoToMeeting)

1. Call to Order
2. Roll Call
3. Approval of the March 17, 2020 Minutes
4. Guests and Visitors
 - A. Shannon Sweeney, David Drown & Associates
 1. Overview of TIF districts
5. Review and Approval of the Financials
6. Report on Business Contacts
 - A. Sale of AJ's Bar & Grill
 - B. Tactacam search for warehouse space
 - C. Tactacam employee and wage information for forgivable loan
 - D. Communications with GrandStay Hotel
7. New Business
 - A. Discussion re Caledonia IRP loan payments
 - B. Discussion re request from AKG Enterprises, LLC to forgive Caledonia IRP loan of \$8,723.65
 - C. Discussion re future location of Sleepy Hollow Auto
 - D. General discussion
8. Announcements
9. Adjournment

REGULAR MEETING OF THE CALEDONIA
ECONOMIC DEVELOPMENT AUTHORITY BOARD
CITY HALL COUNCIL CHAMBERS
TUESDAY, MARCH 17, 2020

CALL TO ORDER: Following due call and notice thereof, EDA President Matt Schuldt called the meeting to order at 1:08 p.m. in the Council Chambers of City Hall.

ROLL CALL: The following commissioners were present: EDA President Matt Schuldt, Mayor DeWayne “Tank” Schroeder, City Councilmember Randi Vick, Amanda Ninneman, and Francis Myhre (arrived at 1:10 p.m.). The following commissioners were absent: EDA Vice President Jon Hagerott and Harley Meiners. City staff present were: clerk/administrator Adam Swann, finance officer Stephanie Mann, and assistant to clerk/administrator Carson Coffield.

APPROVAL OF MINUTES: Motion by City Councilmember Vick to approve the minutes from the February 18, 2020 meeting; motion seconded by Mayor DeWayne “Tank” Schroeder. The motion passed 3-0. EDA President Matt Schuldt and Commissioner Ninneman both abstained because they had not attended the February 18, 2020 EDA meeting.

GUESTS AND VISITORS: None.

REVIEW OF THE FINANCIALS: Finance Officer Stephanie Mann reported that the EDA checking account had a balance of \$58,777.86. Mann also reported that the Caledonia Intermediary Relending Program had a balance of \$15,535.66 available to lend. Mann also reported that there is \$1,000.00 remaining in the Downtown Redevelopment Program, which is set aside for Norman Snodgrass’s project. Mann further reported that there are two loans from the Intermediary Relending Program that are three months late on their payments, but the rest of the loans are current. Mann also reported that the CEDA Commercial Rehabilitation Program fund had an estimated balance of \$13,327.94 as of February 18, 2020. Councilmember Vick made a motion to approve the financial report. Commissioner Myhre seconded the motion. All commissioners present voted in favor of approving the financial report. The motion passed 5-0.

BUSINESS CONTACTS:

a. Opening of restaurant in former Hardware Hank building: Assistant to Clerk/Administrator Carson Coffield reported that he has been in contact with Lesli Haines, Public Health Sanitarian at the Minnesota Department of Health in Rochester regarding the status of Calvin Kowalewski’s plan review. Haines told Coffield that there currently is not a timeline in place for the plan review of the property at 208 E. Main St., and notified Coffield that the current COVID-19 crisis could cause significant delays.

b. Communications with GrandStay Hotel: Coffield reported that on January 31, he and Clerk/Administrator Adam Swann had another phone conference with Julie Brown, VP Franchise Sales and Development at GrandStay Hospitality, LLC. Brown notified Swann and Coffield that the land owners in Caledonia that were contacted did not show interest in being investors if their land was to be used for a potential hotel development. Brown suggested that the City advertises and reaches out to developers that may be interested in a future hotel development in Caledonia.

c. Sale of AJ’s Bar & Grill: Coffield reported that on March 11, 2020, Andrew Gleason, owner of AJ’s Bar & Grill, posted on Facebook that the property at 139 S. Marshall Street is for sale. Gleason reported to Coffield that he will continue to pay his monthly payments on his revolving loan, and will also possibly pay the loan in full soon.

d. Inquiry from Tactacam re Warehouse Space: On Friday, March 13, Coffield & Swann received a call from Tactacam wondering if the City had any knowledge of available buildings for storing inventory in Caledonia. The EDA commissioners discussed possible storage facility options for Tactacam. Coffield also reported that he would notify Tactacam of the suggestions that the EDA board had.

NEW BUSINESS:

a. Discussion re potential application for Federal EDA Disaster Recovery Grant: Coffield reported that he had recently talked with Allison Wagner about the possibility of CEDA applying for the Federal EDA Disaster Recovery Grant program on behalf of the City of Caledonia EDA. Wagner reported that although the funds could be used for a revolving loan fund, the program is for regions that are willing to provide a 20% match to receive between \$500,000 and \$1,000,000. Coffield reported that Wagner also said that there is a possibility that CEDA themselves could apply for the grant, and then disperse the funding themselves throughout Southeastern Minnesota.

b. Discussion re Future Location of Sleepy Hollow Auto: The EDA board discussed potential spaces in and around Caledonia that would be viable options for the future location of Sleepy Hollow Auto.

c. Discussion re Revolving Loan Fund Forbearance: The EDA board discussed possible options for providing relief to local businesses that are currently making payments on their revolving loans. EDA President Matt Schuldt made a motion to provide month-by-month forbearance on revolving loan payments at the City staff's discretion. Commissioner Myhre seconded the motion. The motion passed 4-0. Commissioner Ninneman recused herself from the vote.

ADJOURNMENT: There being no further business, a motion to adjourn was made by Councilmember Vick, seconded by Commissioner Ninneman. All commissioners present voted in favor of the motion, and the motion was declared carried to adjourn at 2:33 p.m.

Matt Schuldt, EDA President

Adam Swann, Clerk/Administrator
and EDA Director

**Caledonia Economic Development Authority
Revolving Loan Fund Balances thru April 21, 2020
Summary Report**

<u>Item</u>	<u>Balances</u> <u>March 17, 2020</u>	<u>Receipts</u>	<u>Payments</u>	<u>Balances</u> <u>April 21, 2020</u>
Checking Account Balance	58,777.86	2,226.01	0.00	61,003.87
Intermediary Relending Program	57,777.86	2,226.01	-	60,003.87
IRP Loan Loss Requirement - 6% of Loan Balance	(21,657.21)	-	-	(21,544.43)
IRP Loan Payment Due 12/31/2020	(10,283.00)	-	-	(10,283.00)
Interfund Loan Payment to General Fund Due 06/01/2020	(10,301.99)	-	-	(10,301.99)
Total IRP Funds Available	<u>15,535.66</u>			<u>17,874.45</u>
Downtown Redevelopment Program	1,000.00	-	-	1,000.00
Suzanne Roesler application	-	-	-	-
Melissa Wray application	-	-	-	-
Norman Snodgrass application	(1,000.00)	-	-	(1,000.00)
Ron Hewuse application	-	-	-	-
Ron Hewuse application - matching funds	-	-	-	-
Total Downtown Redevelopment Funds Available	<u>0.00</u>			<u>0.00</u>
IRP Outstanding Loan Balances	360,953.57	-	(1,879.69)	359,073.88
Downtown Redevelopment Loan Balances	-	-	-	-
Total Loans made through 4/21/2020: (revolved since 1994)				
IRP-DEED Loans	1,232,298.00	-	-	1,232,298.00
SCDP Loans	265,972.77	-	-	265,972.77
Total Loans Funded To Date	<u>1,498,270.77</u>			<u>1,498,270.77</u>
	Outstanding Balance at 4/21/2020			
USDA - Economic Development Revenue Note, 1994 (30 year at 1%)	32,566.77	Final payment 12/31/2024 Annual pymt=\$10,283.00		
General Fund - \$50,000 Interfund Loan (5 year at 1%)	40,198.01	Final payment 6/01/2023 Annual pymt=\$10,301.99		
CEDA Commercial Rehabilitation Program	Estimated			Estimated
Balance as of 4/21/2020	<u>Loan Balances</u>			<u>Funds Available</u>
Forgivable Loan	8,233.00			13,327.94
3% Low Interest Loan	5,698.70			
Total	13,931.70			

CALEDONIA INTERMEDIARY RELENDING PROGRAM LOANS

<u>Name of Borrower</u>	<u>Type of Business</u>	<u>Use of Loan/ Guarantee</u>	<u>FmHA Approval</u>	<u>Loan/ Guarantee Amount</u>	<u>Effective Date</u>	<u>Outstanding Balance 04/21/2020</u>	<u>Interest Rate</u>	<u>Date of Final Payment</u>	<u>Amount & Type of Collateral</u>	<u>Loan Payment Status</u>
Mike Klug	Insurance agency	Purchase clients-expansion	N/A	30,000.00	1/1/13	8,854.85	2%	01/15/23	Unsecured	Current
Jeremiah and Amanda Ninneman	Coffee shop	Bldg Improve/Equipment	N/A	85,000.00	11/10/14	65,543.58	2%	12/01/24 Balloon	2nd Mtge, Guarantee	Current-Deferred
Travis and Naaren Kingsley	Veterinary clinic	Bldg Improve/Equipment	N/A	125,000.00	11/6/14	95,916.19	2%	11/01/24 Balloon	2nd Mtge, Guarantee	Current
Lee and Elsie Babler	Restaurant	Bldg Improve/Equipment	N/A	75,000.00	9/1/15	60,266.40	2%	09/01/25 Balloon	2nd Mtge, Guarantee	4 mo past due
Geoff and Stephanie Mell	Chiropractic clinic	Bldg Purchase/Improvement	N/A	9,000.00	9/30/16	6,107.01	2%	11/1/2026	2nd Mtge	Current-Deferred
Lifestyle Enterprises LLC	Health/Fitness	Bldg Construction/Improve	N/A	50,000.00	1/4/17	43,352.15	2%	3/4/2027	3rd Mtge	Current-Deferred
Todd Lemke	Auto repair/gas station	Purchase of property	N/A	25,000.00	1/2/18	19,802.43	2%	1/1/2028	2nd Mtge, Guarantee	Current
Chuck's Old Fashioned Meats LLC	Meat market	Equipment/Inventory	N/A	20,000.00	7/1/18	14,311.34	3%	6/1/2023	1st lien-equip, Guarantee	4 mo past due
Suzanne Roesler	Bakery	Purchase of bldg/business	N/A	20,000.00	2/28/19	18,175.01	2%	4/1/2029	2nd Mtge	Current
Mike and Sara Klug	Insurance agency	Purchase/renovation of bldg	N/A	20,000.00	3/7/19	18,021.27	2%	3/15/2029	2nd Mtge	Current
AKG Enterprises LLC	Restaurant/Bar	Purchase equip/operating capital	N/A	10,000.00	10/1/19	8,723.65	4%	6/1/2022	UCC lien	Current-Deferred
Outstanding Loans				469,000.00		359,073.88				

<u>Name of Borrower</u>	<u>Type of Business</u>	<u>Use of Loan/ Guarantee</u>	<u>FmHA Approval</u>	<u>Loan/ Guarantee Amount</u>	<u>Effective Date</u>	<u>Outstanding Balance 04/21/2020</u>	<u>Interest Rate</u>	<u>Date of Final Payment</u>	<u>Amount & Type of Collateral</u>	<u>Loan Payment Status</u>
Ellingson Motors	Auto Dealership	Building Purchase	Yes	27,000.00	4-30-96	Paid in Full	4%	5/1/2006	Guarantees	N/A
Ellingson Motors	Auto Dealership	Building Renovation	Yes	67,000.00	1-29-99	Paid in Full	4%	2/1/2009	2nd Mtge, Guarantees	N/A
Ewenique Boutique	Gift Shop	Building Purchase	Yes	19,865.00	05/10/96	Paid in Full	4%	01/28/05	2nd Mtge	N/A
Sno Pac Foods, Inc	Food Processor	Building Purchase	Yes	20,000.00	11/21/95	Paid in Full	4%	10/21/05	1st Mtge	N/A
		(w/ MN DTED match)		50,000.00		Paid in Full	8%	10/21/05		
Dairy Queen	Restaurant	Building Purchase	Yes	30,000.00	12/13/96	Paid in Full	4%	02/01/06	1st Mtge	N/A
Caledonia Lodging	Motel	Equipment	Yes	67,000.00	03/10/00	Sold-Paid in Full	4%	03/10/10	3rd Mtge &	N/A
Sno Pac Foods, Inc	Food Processor	New Freezer-Whse	N/A	80,000.00	08/13/03	Paid in Full	4%	06/01/12	2nd,3rd Mtge,Guarantees	N/A
Elsie's, was S&B's	Restaurant	Building Purchase	Yes	45,000.00	12/27/07	Paid in Full	4%	05/21/12	2nd Mtge	N/A
Pine Cone Place (Schoeberl)	Gift Shop	Building Purchase	Yes	90,000.00	12/22/98	Paid in Full	4%	12/01/13	1st Mtge	N/A
Caledonia Oil Co.	Fuel, Service,	Bulk Plant Upgrade	N/A	10,000.00	02/05/03	Paid in Full	4%	11/14/12	3rd Mtge, Guarantees	N/A
Caledonia Oil Co.	Bulk Fuel	E-85 Installation	N/A	12,500.00	06/28/06	Paid in Full	4%	12/21/12	2nd Mtge, Guarantees	N/A
Witt Real Estate LLC	Pharmacy-Retail	Land Purchase	N/A	86,500.00	04/09/03	Paid in Full	4%	04/01/13 Balloon	2nd Mtge	N/A
Cal True-Value Hardware	Retail	Relocation-Expansion	N/A	62,500.00	06/28/06	Paid in Full	4%	08/01/16	2nd Mtge, Guarantees	N/A
K Properties	Commercial Leasing	Purchase/Develop Real Estate	N/A	30,000.00	07/22/07	Paid in Full	4%	08/01/17	2nd Mtge, Guarantees	N/A
Caledonia Oil Co.	Gas, oil, service	Bulk tanker purchase	N/A	23,433.00	02/25/13	Paid in Full	2%	02/01/18	Secured	N/A
Kid's Corner of Caledonia Properties LLC	Day care center	Bldg Construction	N/A	42,500.00	7/8/09	Paid in Full	4%	08/01/19	2nd Mtge, Guarantee	N/A

[Original IRP Loan: \$250,000 & local 3rd match & DTED \$50,000]

[RLF Start-up TEC Loan: \$100,000]

Loans Paid in Full	763,298.00
Total IRP-DTED Loans Above	1,232,298.00
Total SCDP Loans	265,972.77
	1,498,270.77