

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)

FINANCE COMMITTEE

SPECIAL MEETING MINUTES

April 7, 2020

Via Teleconference

Present: Matt Behm, Nick Dalton, Travis Jones, Les Nelson, Justin Schnichels and Randy Zinda

Excused: Kerry Johnson and Jeff Welker

Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Manager

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chairperson Matt Behm called the meeting to order at approximately 11:05 a.m. Following roll call a quorum was declared present.

Aaron Backman recapped an email he sent to the committee. The committee reviewed the applicant chart (copy on file):

- Glacial Ridge Winery, Inc. Schmoll stated EDC staff is recommending approval of the \$5,000 request. All documentation has been received. The funds would be used to pay operating expenses, insurance, utilities and loan payments.

IT WAS MOVED BY Les Nelson, SECONDED BY Travis Jones, to approve a 24-month \$5,000 loan to Glacial Ridge Winery, Inc. with a six-month payment deferral. MOTION CARRIED.

- Pro Fitness 43, Inc. Schmoll stated EDC staff is recommending approval of the \$5,000 request. All documentation has been received. The funds would be used to pay for utilities, property taxes and loan payments.

IT WAS MOVED BY Nick Dalton, SECONDED BY Randy Zinda, to approve a 24-month \$5,000 loan to Pro Fitness, Inc. with a six-month payment deferral. MOTION CARRIED.

- Royal Cutz Barber Shop. Backman stated staff is recommending approval of the \$5,000 request. All documentation has been received. The funds would be used for rent and other business expenses.

IT WAS MOVED BY Justin Schnichels, SECONDED BY Les Nelson, to approve a 24-month \$5,000 loan to Royal Cutz Barber Shop with a six-month payment deferral. MOTION CARRIED.

- Katie Collins Salon, Michele Shubert Salon and Shannon Schoell Salon. Schmoll stated the three women work together in a partnership and have a limited liability corporation, Hair We Are, that leases the building. All expenses are shared equally, but income is different based on their customers. There are no credit issues with any of them and no outstanding loans. Jeff Welker of Lake Region Bank did not feel they were credit risks. Nancy Birkeland noted she found Hair We Are of Willmar LLP is registered with the Secretary of State. Staff is recommending the requests be reduced from \$5,000 to \$2,500 each. Backman stated the EDC reserves the right of final approval for any loans. Chair Behm suggested more information be obtained as to how the entities are owned and how they are commingled as the information presented is contradictory.

IT WAS MOVED BY Nick Dalton, SECONDED BY Justin Schnichels, to table a decision on loans to Katie Collins Salon, Michele Shubert Salon and Shannon Schoell Salon and when more information is received do a vote by email. MOTION CARRIED.

- Faafan LLC dba Faafan Restaurant. Backman provided information on the application. The restaurant is located in downtown Willmar and focuses on Ethiopian and Somali foods. Faafan has done some takeout, but not enough to pay bills. Its primary lender is Wells Fargo Bank. Financial information has been received.

IT WAS MOVED BY Travis Jones, SECONDED BY Les Nelson, to approve a 24-month \$5,000 loan to Faafan LLC dba Faafan Restaurant with a six-month payment deferral. MOTION CARRIED.

Backman stated the goal is to close the loans as soon as possible. At this time, staff will have another four applications to review on April 14<sup>th</sup>.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 11:37 a.m.

NEXT MEETING—The next committee meeting is 12 p.m., Tuesday, April 14, 2020 via teleconference.