SPECIAL MEETING

ECONOMIC DEVEOPMENT AUTHORITY

August 14, 2018

12:00 NOON

PRESENT: Mark Hanson, Brian Harder, Mike Nelson, Darla Kruser, Jerry Haberman, Dean Janzen and Clara Johnson, Advisors.

ABSENT: Vern Peterson, Brad Hanson and Steve Syverson

STAFF PRESENT: Rob Anderson and Tabitha Garloff

CITY ADMINISTRATOR: Michael Schulte

GUEST: Jason Flanagan and Cheryl Hiebert

1. Call to Order. Mark called the meeting to order at 12:00 p.m.
2. Consider Loan Request from Jason Flanagan.

Approved By EDA: $50,000 for Real Estate

Requesting from EDA: $25,000 for Asset Acquisition

Requesting from EDA: $50,000 for Bank Loan Guarantee

Jason gave a brief update on the purchase of Town’s Edge Auto. Jason continues to work on obtaining financing. Jason has received approval from several different banks: however, due to the size of the financing needed, banks are refusing to work with him. Jason stated that he will not be able to retain the Chevrolet franchise, at least not to start with. Jason may try to acquire the Chevrolet franchise in the future. Jason stated this change will not affect the shop area of the dealership. Rob reviewed the handout that was provided. The previous $50,000 EDA loan documents were prepared but never signed. Rob recommended that the loan documents be reviewed by the city attorney and be amended to support the name change to Flanagan, LLC. for real estate purchase.

* Motion made and seconded by Mike and Darla to approve the name change to Flanagan, LLC. Brian abstained. Carried.
* Motion made and seconded by Darla and Jerry to approve the $25,000 Asset Acquisition loan. 4% interest rate fixed for 7 years. Carried. The name of the operating company will be Mountain Lake Automotive, LLC.
* Motion made and seconded by Jerry and Mike to approve the $50,000 Bank Loan Guarantee to Odin State Bank for Mt. Lake Automotive, LLC, reviewed annually for up to 5 years. Carried.

1. Other. Rob stated that Tennyson Construction from Truman, Mn. was at the daycare building to look at the basement water issue and provided the EDA with an estimate. They also provided the EDA with a list of suggestions that should be done in addition to the landscaping to help with the water runoff. Complete Basement Systems will provide another estimate on September 21st.
2. Adjourned. Mark adjourned the meeting at 12:18 p.m.