

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
FEBRUARY 22, 2011**

The meeting was called to order by President Lundstrom at 5:35 pm.

Members Present: President Lundstrom, Krueger, Nuesse, Thomes, Councilmember Pichelmann, Councilmember Ruehling

Member Absent: Sorenson, Thomes

Also Present: EDA Director Smith-Strack, Larry & Laura Kicker

Director Smith-Strack administered the Official Oath of Office to member Dave Krueger.

Motion by Pichelmann, seconded by Ruehling, and passed by unanimous vote to approve the agenda with the following changes:

Add item: Official Oath-Dave Krueger

Remove item 3A – Approval of Minutes, as they were not ready in time for the meeting.

Discussion resumed (from the previous meeting) on the loan request from Larry Kicker. Larry and Laura Kicker were present to provide additional information as needed and/or answer questions. Lundstrom noted that the application was originally for \$22,000 from the Revolving Loan Fund (RLF), but was being amended to include \$10,000 from the Restoration, Renewal & Rehabilitation Loan Fund (RRRLF) for a total loan in the amount of \$32,000. Smith-Strack commented that the definition of the project was unclear (what was all included) and questioned what security was available. The EDA reviewed documentation that showed other sources of funding being used, equity being acquired, etc. It was determined that the project should include the franchise and pizza equipment; that there was equity within both the building and equipment. Lundstrom summarized the discussion as: the EDA is not funding more than 40% of project; the project as a whole meets the criteria within the RLF and also the RRRLF policies; and that each loan would be for 7 years with an interest rate of 3%. He added that the securities would be the building and machinery/equipment.

Lundstrom introduced the following resolution and moved for its adoption:

EDA RESOLUTION NO. 1-2011

A RESOLUTION APPROVING A LOAN FROM THE ARLINGTON REVOLVING LOAN FUND AND A LOAN FROM THE ARLINGTON RESTORATION, REHABILITATION AND RENEWAL LOAN FUND FOR LARRY AND LAURA KICKER AND DIRECTING PREPARATION OF LOAN DOCUMENTS RELATING THERETO.

WHEREAS, Laura and Larry Kicker, d.b.a. Godfather's Pizza and Kicks Bakery have applied for assistance available through the EDA; and

WHEREAS, the Kickers have requested a \$22,000 loan from the Revolving Loan Fund and a \$10,000 loan from the RRR Loan Fund; and

WHEREAS, the purpose of the loans is to allow for the opening of a Godfather's Pizza within the Kick's Bakery building; and,

WHEREAS, the EDA has reviewed the loan application to determine compliance with loan policies and procedures; and,

WHEREAS, the EDA recognizes the value of business expansion and the history of the business owners within the City of Arlington; and,

NOW, THEREFORE, BE IT RESOLVED, that the Arlington Economic Development Authority hereby approves a loan from the RLF in the amount of \$22,000 for a term of seven (7) years at a rate of three percent (3%) and a loan from the RRR Loan Fund in the amount of \$10,000 for a term of seven (7) years at a rate of three percent (3%).

BE IT FURTHER RESOLVED, that the EDA Director is hereby authorized and directed to have loan documents prepared and executed.

The motion for the adoption of the foregoing resolution was duly seconded by Ruehling and upon poll being taken thereon the following voted in favor thereof: Krueger, Lundstrom, Nuesse, Councilmember Pichelmann, Councilmember Ruehling; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: Sorenson, Thomes.

Adopted by the Economic Development Authority of the City of Arlington this 22nd day of February, 2011.

Signed: /s/ Mark Lundstrom
President

Attest: /s/ Cynthia Smith-Strack
EDA Director

Whereupon the resolution was declared duly passed and executed.

The January Financial Report was reviewed.

Motion by Pichelmann, seconded by Krueger, and passed by unanimous vote to approve the January Financial Report as presented.

Discussion was held on the future uses of the Cemstone and UFC (Elevator) properties along the railway corridor and Main Street. Lundstrom questioned if anyone knew what Cemstone was planning to do with their property. Smith-Strack commented that the Planning & Zoning Committee has had discussions about possibly condemning the property due to current state of disrepair of the remaining structures. Smith-Strack stated that she would be happy to invite the owners of both businesses to a future meeting to discuss options/future use. It was suggested to 'brainstorm' and come up with some viable options for each property before meeting with the property owners.

Motion by Lundstrom, seconded by Nuesse, and passed by unanimous vote to table discussion on Agenda items 6B-Use Plan Railway Corridor, 6C-Mission Statements/Goal Setting, and 7-Board Announcements until the next meeting due to time constraints.

President Lundstrom adjourned the meeting.

President, Mark Lundstrom

Director, Cynthia Smith-Strack