

Meeting Minutes
New Prague Economic Development Authority
Wednesday, March 10, 2004

Bruce Wolf called the meeting to order with the following members present: Babione, Berger, Dornbusch, Gassner, Kratochvil, Wolf, and Executive Director Morris. Renee Christianson was an invited guest.

Chairman Wolf called the meeting to order at 8:00 a.m.

1. Minutes of Last Meeting

The minutes were reviewed. Berger moved approval, Dornbusch seconded and the Committee approved unanimously.

2. Claims for Payment

The claims for payment were reviewed. Chairman Wolf requested more information about audit fees, liability insurance for 2003 and the \$460.04 fee for accounts payable checks. The \$10,007.58 line item was a combination of a \$1,000.00 audit fee for 2002 which represents slightly more than 10% of the total City audit fee. The remaining \$9,007.58 is the EDA's portion of the total City insurance bill of \$73,543.00. The EDA's portion of the total is tied directly to the EDA exposures which are primarily in the Business Park and include both liability and other risks related to the buildings such as fire. Kathy Novotny said she expects the EDA to receive a credit of \$2,000.00 next month. Morris will discuss with our insurance carrier the possibility of changing the valuations on the buildings in light of the EDA decision to sell the property. Morris contacted Art Wann regarding the \$460.04 charge for checks. He said we use a special continuous check for accounts payable that includes a carbon copy of the check for filing with the invoice. Art said he noted the price (.39 per check or \$460.04 for 1100 checks) was high when he first received the quote from his supplier. He contacted two other suppliers who both quoted him higher prices than what we ended up paying. Art said the price is a fair reflection of the market for continuous two part checks. Berger moved approval of the claims for payment as submitted, Babione seconded and the Committee approved unanimously.

3. Spring Retail Promotion

Kim Gassner provided the EDA a brief oral report on the planned spring retail sale scheduled for April 3, 2004.

4. Marv Deutsch

Morris provided the EDA a copy of the agreement between Deutsch Construction and the City of New Prague. The Agreement provides that Deutsch would construct a building of approximately 11,000 square feet by 2003. He has not performed on that provision of the agreement. Renee Christianson reported that she has had recent conversations with Marv indicating he intended to build sometime in 2004. The EDA requested that Morris write him a letter revising the portion of the agreement related to the year in which the building was to be constructed.

Action Requested

Morris to send Deutsch a modified agreement.

5. Business and Real Estate Changes

Morris reported that he and Gassner had completed a survey about changes in commercial property in 2003. The survey draws a baseline for tracking future changes in commercial property. Morris requested that all EDA members review the report and make corrections and return the report to Morris who will then update the database.

6. Wally Miller Business Park

Morris reported that the deadline for RFP's for razing the buildings on the east end of the Business Park and proposing appropriate new construction is March 31st. So far we have received limited indications of interest. Morris also reported that he had talked to our two key tenants to remind them of the RFP so they could plan for the potential changes.

7. All Paper Recycling

Morris reported that All Paper Recycling will be moving to Le Center into a large existing building. All Paper Recycling rent for their facility in the Wally Miller Business Park is up to date through February 29, 2004.

8. Community Center

Morris reported that the Community Center had completed the payment to the School District in the form of ice time credits of \$18,734.00 plus \$5,266.00 in interest for the property the Community Center was built on.

9. Façade/Sign/Parking Loan Fund

Morris, Gassner and Christianson reported on discussions with Community Security Bank, State Bank, U S Bank, and Wells Fargo Bank to create a low-interest loan fund to encourage façade, sign and parking improvements. The banks will each provide \$125,000 to create a loan pool of \$500,000.00. Loans up to \$25,000 per building will be eligible for the low interest rate of Prime Rate – 1%. Terms up to five years will be available. The purpose of the loan must be to improve, within the City limits, outside facade improvements, signs and parking including blacktop, lighting and striping. The EDA approved supplementing the low interest rate by 1% which may result in up to \$5,000.00 of annual charges to the EDA. The Committee specifically approved the 1% interest rate contribution to the program. All fees will be set by the banks through their normal processes and underwriting and collections will be the responsibility of the banks. After a thorough discussion, the EDA approved the EDA participation in the program subject to the limitation that the 1% EDA participation be limited to properties within the City. They also requested that Renee be inserted into the front end of the project approval process before the request goes to the bank.

Action

Morris to continue to work with the Bankers, Chamber, and Community Development to implement the program.

10. Economic Development Director Activity Report

The EDA received a copy of the Economic Development Directors written report.

11. Next Meeting

The next meeting will be held at 8:00 A.M. on April 14, 2004.

12. Adjournment

Gassner moved, Kratochvil seconded and the committee unanimously approved adjournment.