

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
AUGUST 4, 2022
ELYSIAN CITY HALL
6:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, August 4, 2022 at City Hall at 6:00 pm.

The meeting opened with the Pledge of Allegiance to the US Flag.

Present were: President Mack Evans; Commissioners Jason Dillon, Bobby Houlihan, Steve Ritchison, Derek Westby; Administrator Lorri Kopischke. Absent: None.

On motion by Houlihan, seconded by Dillon, all voting in favor, to approve the minutes of the June 2, 2022 Regular Meeting as presented.

On motion by Ritchison, seconded by Houlihan, all voting in favor, to approve the agenda of the August 4, 2022 meeting as presented.

Revolving Fund Loan financial information was discussed. Loans #2b and #2c have not made a payment since May 2022. All other loans are current. The savings account balances as of July 31, 2022 are: Unrestricted - \$126,851.72, Restricted - \$55,288.93 = Total: \$182,140.65.

Commissioner Westby stepped away from the table for the following discussion and vote.

The balloon payment in the amount of \$12,557.02 is due on Loan #21 GW Holdings LLC. The property / business financed with this loan, 360 Auto, 311 State Highway 60 W, Elysian, is currently for sale. There are two parties to the loan, Rick Galewski and Derek Westby. Galewski has paid in full one-half of the balloon payment. Westby is requesting to renegotiate the remaining balance of \$6,278.51 personally. He has requested a monthly payment of \$175 with the balance being payable at the time of sale of the property. The interest rate would remain the same at 3%.

City Attorney Moran commented as follows: "Since the EDA is essentially doing a refinance without giving out any additional money, I believe it is permissible. Its original purpose was for business purposes and those dollars remain out there and in play for business purposes. EDA's do loans periodically in a person's name as opposed to a business, especially in cases where "the business" is a sole proprietorship. EDA can choose how to collateralize a loan (if any collateralization is even to be done). I would have Derek sign all the regular documents (promissory note, personal guarantee, his wife also signs them).

On motion by Houlihan, seconded by Dillon, to approve the renegotiation of the remaining balance of Loan #21 in the amount of \$6,278.51 at 3% interest with a payment of \$175 per month. The borrowers will be Derek and Amanda Westby. The loan will be payable in full upon sale of the property or no later than December 31, 2023. Voting on the motion: Aye: Dillon, Evans, Houlihan, Ritchison. Nay: None. Abstain: Westby.

On motion by Houlihan, seconded by Dillon, all voting in favor, to accept the financial report as presented.

The current Business Spotlight, Scoops, is complete and published on the Elysian website. The next Spotlight will be drawn at the September meeting.

Two benches have been ordered to be placed at the Veteran's Memorial at Sunset Park. The cost is \$1,831.64 and they are expected to arrive the week of August 16-23, 2022.

The drawing during the July 4th celebration to encourage participants to spend \$5 at (5) five different businesses in the City only had 12 participants. The drawing was held at City Hall the morning of July 5, 2022 and the winner was Becky White, Janesville.

Commissioners discussed 302 Park Avenue NE. The property will be sold, by the Sheriff of Le Sueur County, Minnesota, at public auction on September 7, 2022 at 1:00 pm. There was consensus that the EDA is NOT interested in acquiring this property.

There were no visitor comments.

On motion by Westby, seconded by Houlihan, all voting in favor, meeting adjourned at 6:40 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator