



ECONOMIC DEVELOPMENT AUTHORITY

CITY OF WELLS, MINNESOTA

Wells Economic Development Authority Mission Statement:
“To encourage, attract, promote and develop economically sound industry,
business and commerce within the City of Wells.”

MINUTES

Special Meeting – 12:00 pm

Tuesday, February 1, 2011

Conference Room, Wells City Hall

125 S. Broadway Wells, MN 56097

I. Call to Order / Roll Call

President Heggen called the meeting to order at 12:07p.m.

Members present: President Heggen, Secretary / Treasurer Magnuson,
Commissioners Steve Burns, Jim Durfee, and Jim Heckman.

Members absent: Vice President Kim Sorenson, Commissioner Bruce Mandler.

Staff Liaison present: Christopher Elvebak, Community Development Director.

II. Determination of supplemental funding for commercial rehabilitation component of the Small Cities Development Program final application.

President Heggen opened discussion on the leverage fund commitment to the 2011 grant program. He noted he would act as the chair for the meeting as the annual meeting for the election of 2011 officers has not yet been held.

Staff reviewed the parameters and requirements of the program and some options available to the members for the creation of supplemental installment loans.

The commissioners discussed the merits of five or ten year repayments terms, interest rate on the installment loans, and the local match level for the commercial rehab projects. It was noted that the SCDP will pay 70% of the individual projects up to \$40,000 with the property owner responsible for the remainder.

Wells Economic Development Authority (WEDA) Membership:
President, Brad Heggen; Vice President, Kim Sorenson; Secretary/Treasurer, Darin Magnuson;
Commissioners Steve Burns, Jim Durfee, Jim Heckman, and Bruce Mandler.

Discussion amongst the members shifted to the creation of loans / contracts with the recipients and how they would be structured. The consensus of the members indicated a preference for keeping the terms of the SCDP loan and the EDA leverage funds similar so that administering the contracts would be simpler and recipients would have a clearer understanding of the terms.

Commissioner Burns moved to approve a local leverage fund commitment for the SCDP under the following terms:

- The local leverage funds will consist of a loan filed as a lien against the benefitting property.
- The loan terms shall consist of no payments, no interest, and shall be forgiven after ten years.
- Each loan shall be crafted for a ten percent (10%) project match up to a maximum of four thousand dollars (\$4,000).

Commissioner Heckman seconded the motion. During discussion members Heggen and Magnuson recused themselves from voting due to potential conflict of interest. With all other members voting in favor the motion passed.

III. Adjournment

Commissioner Durfee moved, seconded by Treasurer Magnuson, to adjourn. The motion passed at 12:24 p.m.

Respectfully submitted;

Christopher Elvebak, C.D.D.