

M I N U T E S
Jamestown Local Development Corporation
February 17, 2021

The annual reorganization meeting of the Jamestown Local Development Corporation was held on Wednesday, February 17, 2021 at 5:00 pm via ZOOM.

Members Present: Mayor Edward Sundquist
Vicki McGraw
Kim Ecklund
Kris Sellstrom
Margaret Kaltenmeier
Tim Smeal
Tom Nelson
Tony Dolce
Pete Scheira

Others Present: Crystal Surdyk, Director of Development
John Sellstrom, Financial Coordinator
Stephanie Wright, Economic Development Coordinator
Benjamin Haskin, Esq, Assistant Corporation Counsel

Mayor Sundquist called the meeting to order at 5:03 pm

The first item on the agenda was the Election of Officers. President and Vice President are by virtue of office. President is Edward Sundquist and Vice President is Tony Dolce.

Kim Ecklund nominated Vicki McGraw for Secretary and it was seconded by Tom Nelson. Vicki accepted the nomination.

Tom Nelson nominated Kim Ecklund for Treasurer and it was seconded by Tony Dolce. Kim accepted the nomination.

A Motion to accept the slate of positions was made by Tom Nelson and seconded by Tony Dolce.

9 AYE 0 NAY

Carried.

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A motion to approve the agreement between the Jamestown Urban Renewal Agency (JURA) and the Jamestown Local Development Corporation (JLDC) in the amount of \$140,000 for the 2021 calendar year for staffing needs was made by Tony Dolce and seconded by Vicki McGraw.

8 AYE 0 NAY 1 ABSTAIN

Carried.

A motion was made by Tim Smeal and seconded by Kim Ecklund to designate Crystal Surdyk as the Executive Director of the Jamestown Local Development Corporation.

9 AYE 0 NAY

Carried.

A motion was made by Kris Sellstrom and seconded by Vicki McGraw to designate Key Bank and Evans Bank as depositories for the Jamestown Local Development Corporation and that they be authorized and directed to honor checks, drafts or other orders for the payment of money drawn in the Jamestown Local Development Corporation.

9 AYE 0 NAY

Carried.

A motion was made by Tony Dolce and seconded by Kim Ecklund to authorize the Mayor/President of the Agency, the City Finance Director and the City Comptroller to serve as signatories on all JLDC financial accounts and authorizing Crystal Surdyk, Executive Director and John Sellstrom, Financial Coordinator to make transfers for the Jamestown Local Development Corporation.

7 AYE 0 NAY 2 ABSTAIN

Carried.

A motion was made by Kris Sellstrom and seconded by Tim Smeal to appoint Benjamin Haskin, Esq. as legal counsel for JLDC

9 AYE 0 NAY

Carried.

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Vicki McGraw made a motion, seconded by Tom Nelson, to select the third Wednesday of each month as a place holder date for future Jamestown Local Development Corporation meetings.

9 AYE 0 NAY

Carried

Tony Dolce made a motion, seconded by Kim Ecklund to approve the minutes from the December 16, 2020 board meeting.

9 AYE 0 NAY

Carried.

Kim Ecklund made a motion, seconded by Tony Dolce, to approve the JLDC Financial Reports through the end of 2020.

9 AYE 0 NAY

Carried.

Board Members received Acknowledgement of Fiduciary Responsibilities, Conflict of Interest Disclosure Statement and Whistleblower Policy. Hard copies will be mailed to Board Members to review, complete and return.

Crystal Surdyk discussed the State's recommendation for the reallocation of the Fund for Downtown Programming monies. The State is recommending reallocating the funds to something resembling the CARES Act – Small Business Relief. Because we are close to our deadline to use the funds and we don't know what this year will look like for events. All funds were awarded, but not all were dispersed. Due to COVID, many events weren't able to be held. Staff suggestion is to have awardees resubmit narrative of what funds would be used for in their organization and perhaps award them the money they projected to make in revenue for their event. The Mayor wondered if some of the funds could be used for grants for Arts, Entertainment and Cultural Institutions who might not qualify for other programs.

Kim Ecklund suggested sending out a list of awardees to the Board to it could be reviewed and discuss at the next meeting. There are several Board members, including the Mayor, who weren't a part of JLDC when these events were evaluated and awarded

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previously. In the meantime, if Board members have any questions or suggestions, they should contact Crystal or Stephanie.

Stephanie Wright discussed the continued rewrite of the JLDC Loan Program and thanked Greg Noon from JURA for his help and expertise.

The first discussion was about the Small Business Start Up Assistance Loan. This loan would be for people coming to us with an idea who need a small amount of funding (\$10,000 - \$15,000), but also need guidance that would come in the form of mentoring and collaboration with the Small Business Development Center. JLDC funding for this program would be capped at \$120,000 annually, with only two loans granted per year.

Prior to loan application submittal, applicants will be required to do the following:

- Complete a business plan with the assistance of the SBDC
- Work with the City of Jamestown's Small Business Development Advisor to complete all licensing, certificates, and required documentation for legal operation of business.
- Complete individualized course work on small business development offered by the SBDC
- Complete research-based cash flow projections with assistance from the SBDC
- Complete a marketing plan and marketing budget with assistance from mentor or SBDC
- Submit a letter from banking institution showing support or rejection of loan request
- Submit a letter from investors and/or business associates showing investment in new start up business and/or business collaboration
- Make a presentation to the JLDC staff of business's 12-month and 3-year cash flow projections, balance sheet, current business debt schedule, and start-up costs for business.

In addition to the requirements of the application process, a successful applicant will demonstrate the following:

- An established business or entrepreneurial endeavor that has a proven market, community support, and profit.
- Or, experience in business operation under the guidance of a mentor, or in an apprenticeship.
- Viable opportunities through collaboration with other Jamestown business owners, vendors, and suppliers, and cooperation with property owners, if leasing space for operation.
- Management team and partnerships in the form of trusted relationships providing financial support and advisement.
- Support of the City of Jamestown's revitalization strategies for downtown development

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- Personal Guarantee
- Credit Check
- Applicant to pay JLDC closing costs

The second loan program discussed was the Small Business Development Assistance Loan. These loans would be for \$15,000-\$75,000 and would be given to established businesses for expansion or relocation in to Jamestown, and to stimulate private sector job creation and promote synergistic business ventures for further downtown development. Eligible projects include furniture, fixture and equipment and machinery purchases, and the acquisition, construction and/or renovation of real estate.

This loan program is created to include all prior loan programs titled, Downtown Greenlining, Energy Incentive, Restaurant, Commercial & Industrial Energy Incentive, Artisans Development, Technology Based Business, and Fire Safety Upgrades.

Terms:

- Prime Rate plus 1 to 3 percent fixed interest (Determined by percentage of project costs covered by the applicant and/or other investors)
- 5, 7, or 10 year term
- All loans must be secured by an interest in fixed assets
- Covers up to 70% of total project costs
- At least 20% of total project costs to come from investors or traditional lending institutions
- At least 10% cash injection from applicant
- Personal guarantee
- Credit check
- Applicant to pay JLDC closing costs

Uses of Funds for Project Costs:

Loans can be used for the purchase of tools, equipment, office equipment, security equipment, and working capital. Businesses can be brick and mortar, on-line sales and distribution, shared space manufacturing, and other forms of businesses to be considered on a case by case basis.

Sources of Project Funding:

Loans can be used to cover up to 50% of total project costs. Applicant will invest 25% of their own capital in the total project cost, and personal investors or traditional banks will provide the remaining 25% of the total project cost.

Terms:

- Prime Rate plus 1 to 3 percent fixed interest rate
- 3 to 5-year term
- Collateral position on equipment or property purchased with JLDC funding.

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There were no further items for general session.

Crystal mentioned there were a few items that needed to be discussed in Executive Session that have to do with pending litigation. No action to be taken. A motion to go into Executive Session was made by Tony Dolce and seconded by Kim Ecklund.

9 AYE 0 NAY

Carried

Recording was stopped.

Respectfully submitted,

Beth Kresge
Office Manager