

Van Buren County Economic Development Corporation

December 7, 2020 | 1 p.m.

Location: Zoom Meeting

Meeting Minutes

Roll Call

Member	Term Expires	Present/Absent
Randall Peat, Chair	BOC Appointed	Present
Tom Stanek, Vice Chair	2/13/2021	Present
Rodney Dragicevich, Board Member	2/13/2026	Present
Carrie Troyer, Board Member	3/13/2024	Present
Ken Ratzlaff, Board Member	2/13/2024	Present
Jim Warner, Board Member	2/13/2022	Present
Mike Toth, Board Member	2/13/2022	Present
Jeff Hannan, Board Member	2/13/2024	Present
Zachary Morris, Board Member	2/13/2024	Present
Paul Schincariol, Board of Commissioners Representative	BOC Appointed	Present

Others in attendance:

- Sarah Snoeyink, Economic Development Coordinator

Call to Order

Randall Peat, chair of the board, called the meeting to order at 1 p.m.

Approval of Meeting Minutes from November 2, 2020 Meeting

Jim Warner moved to approve the November 2, 2020 meeting minutes. Mike Toth supported the motion, and the motion carried unanimously.

New Business

Public Hearing on Loan Closeout for LUD, LLC

Randall Peat opened the floor for public comment on the closeout of the \$60,000 loan to LUD, LLC. Zach Morris provided an overview of the loan and its achievements. No public comments were made. Mr. Peat closed the floor for public comments.

Review & Approval of Invoices

Zach Morris reviewed an invoice from Antero Group for work conducted in Mattawan. Paul Schincariol asked whether the expenses on the invoice had been vetted. Mr. Morris said that the invoice expenses were in line with the originally approved plan. Jim Warner moved to approve the invoice. Ken Ratzlaff seconded the motion, and the motion carried unanimously.

Open Issues

Van Buren County Economic Development Review – RLF/CLP

Zach Morris provided an update on the Van Buren County Economic Development Dashboard. Mr. Morris said that little had changed over recent months but shared an overview of dashboard goals and progress toward those goals. Mr. Morris shared that he expects several large economic development projects will be announced over the next several months. Rodney Dragicevich asked whether the dashboard would be updated to focus on more recent data points. Mr. Morris said that he can clean up the report to include only more recent information. Discussion regarding upcoming projects followed.

Review Financial Reports

Zach Morris provided an overview on the financial status of the Revolving Loan Fund. Mr. Morris shared that there were several additional businesses seeking loans from the Revolving Loan Fund and that they would be vetted by the Loan Committee before being brought before the board.

Jeff Hannan asked Mr. Morris about the balance sheet line item that was listed as “blight elimination.” Mr. Morris and Sarah Snoeyink clarified that the line item referred to the 210 East, LLC project in downtown Paw Paw. Mr. Morris said he could talk to the treasurer’s office to see if the line item could be updated for future reports. Discussion regarding housing rental rates in the Paw Paw area followed.

Proposal for Economic Development Strategic Fund

Zach Morris shared an overview of his proposal to utilize eligible administrative expenses from the Revolving Loan Fund to develop a defederalize County Strategic Fund, which would be a self-funded county loan program. Mr. Morris shared that he had met John Faul and Ryan Post from the County to discuss this idea and. Mr. Morris then shared an overview of his proposal for creating and funding a county strategic fund. Sarah Snoeyink shared an overview on the total number of dollars in the Revolving Loan Fund that are eligible to be spent on administrative expenses. Tom Stanek asked if there is a limit to how far back previously uncharged administrative expenses can be charged. Ms. Snoeyink said that she was not sure but could ask the State. Mr. Stanek asked if it would be possible to receive additional money for the Revolving Loan Fund after paying for eligible administrative costs. Mr. Morris said that it would be possible to go to the State and ask for more money if there was a viable project in need of funding.

Proposed Letter for Delinquent Loans

Zach Morris shared a draft of a letter that could be sent when loans made through the Revolving Loan Fund become delinquent. Mr. Morris proposed that when a business has fallen behind on its loan, the board would instruct Mr. Morris to send the letter to the business; the letter would require that delinquent company attend the next Economic Development Corporation board meeting to share their year-to-date profit-loss statements and a plan for repaying the loan.

Paul Schincariol asked whether this letter be an informal invitation for businesses to restructure their loan payment with terms different than those contained in the original

Signature: 

Email: morrisz@marketvanburen.org

loan. Mr. Morris said that it would be an opportunity for the businesses to come before the board and discuss how the business would catch up on its payments but not to renegotiate a lower monthly payment. Carrie Troyer asked what would happen if a business simply could not repay its loan. Randall Peat responded that the Economic Development Corporation board will take legal action when it is appropriate. Mr. Morris shared that monthly invoices will now be generated by the County, which will make it easier to track when businesses have missed loan payments. Further discussion on this topic followed.

Other Business

Report on November 19 Investor Event

Zach Morris shared an update on the event including who the speakers were and what topics were addressed. Both Mr. Morris and Tom Stanek said that the went well. Mr. Stanek said that he appreciated the recognition and engagement of stakeholders that the event made happen. Jeff Hannan said that he learned a lot from the speakers and suggested that an in-person event next year will serve as a great networking opportunity.

Election of Board Officers in January

Randall Peat shared that current Economic Development Corporation board officers need to contact Zach Morris if they are interested in continuing in their role, as an election for board members will take place during the January Economic Development Corporation board meeting. Mr. Morris reminded the board that he is the secretary, Jeff Hannan is treasurer, Tom Stanek is vice chair, and Randall Peat is chair of the board.

Other Business

Tom Stanek asked whether there would be value in networking with other counties to learn best practices for managing revolving loan funds. Sarah Snoeyink shared that Houghton County is the only other county in Michigan that manages its own federally funded revolving loan program. Mr. Stanek said that he was aware that there is a revolving loan fund in St. Joseph County and maybe one in Kalamazoo. Zach Morris agreed that there would be value in networking with other organizations that operate self-funded revolving loan fund programs.

Paul Schincariol clarified that the State is positioned to pay the administrative expenses incurred while operating the Revolving Loan Fund despite the fact that Van Buren County has historically covered these expenses. Mr. Morris affirmed Mr. Schincariol's statement. Tom Stanek said that there was beginning to be crossover between the Market Van Buren and the County's ledgers which means that special attention needs to be paid to the exchange of funds between these organizations.

Adjournment

Tom Stanek moved to adjourn the meeting. Jeff Hannan supported the motion. The next meeting is January 4, 2020 at 1 p.m. The meeting will be held via Zoom.

Z

Zach Morris, Secretary of the Board

Jan 4, 2021

Date






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Final Audit Report

2021-01-04

Created:	2021-01-04
By:	Sarah Snoeyink (snoeyinks@marketvanburen.org)
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-  Document created by Sarah Snoeyink (snoeyinks@marketvanburen.org)
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-  Document emailed to Zach Morris (morrisz@marketvanburen.org) for signature
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-  Document e-signed by Zach Morris (morrisz@marketvanburen.org)
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