

Winnebago County Industrial Development Board

Meeting Minutes from February 1, 2011 Meeting

First Floor Conference Room, Orrin King Administration Building, Oshkosh

Board Members Present: Stan Kline, Kathy Lennon, Dave Albrecht, George Dearborn, Ken Robl, Tim Hamblin, Steve Volkert, John Bodnar

Board Members Excused: Elizabeth Hartman, Mark Harris, Mary Krueger

Others Present: Jerry Bougie, Rob Kleman, David Hessen, Jim Schmidt

Meeting called to order at 2:00 pm by Chairman Kline.

Introductions were held.

1. Approval of Minutes from August 25, 2010 IDB meeting. Motion by Ken Robl, seconded by Kathy Lennon to approve the minutes. Motion passed 8-0.
2. Update on Revolving Loan Fund Programs. Jerry Bougie reported that the IDB's standard Revolving Loan Fund Program currently has \$632,606 available to loan out. The Board reviewed the outstanding loans and due dates for payback. Stan Kline mentioned that although not required some of the communities are paying some of their principal off early which is reflected in the reduced outstanding principal balances for these loans. Jerry also reported that the IDB's CDBG-ED RLF currently has \$219,511 available to loan out. The Board reviewed the loans outstanding for this loan program and due dates for payback.
3. Discussion and potential action on Town of Menasha IDB Revolving Loan application for \$100,000 for Raven Manufacturing. George Dearborn provided the intent and purposed for the loan request as submitted. Raven Manufacturing wishes to offset some of the cost to purchase the manufacturing facility they recently moved into in the Town. The facility was previously vacant. Mr. Dearborn indicated that the Town has agreed to secure the loan with the Town's taxing authority. Jim Schmidt, President of Raven Manufacturing, was introduced to discuss the company's background and proposed activities at its new location in the Town. Mr. Schmidt reported they moved from a facility in Wrightstown to the Town of Menasha which allows them to expand their business and products they produce. They project adding about 50 additional jobs at the Town of Menasha location. They propose to request another loan directly from the IDB's CDBG-ED RLF program at a later date. John Bodnar questioned whether Raven Manufacturing had resolved their workman's compensation delinquency as reported on CCAP. Mr. Schmidt reported that they had and was a result of all the transition the company recently went through with its relocation to Town of Menasha. Additional

discussion regarding the company pursued. Motion by Dave Albrecht, seconded by Kathy Lennon to approve the \$100,000 loan application as submitted by the Town of Menasha for Raven Manufacturing. Motion passed 7-0 with George Dearborn abstaining. The loan will proceed to County Board for approval at its Feb. 22 meeting.

4. Discussion and potential action on proposed agreement with the Oshkosh Area Economic Development Corporation to conduct administrative services for the IDB Community Development Block Grant – Economic Development Revolving Loan Program. The Board agreed to correct the wording on this agenda item from “Oshkosh Chamber” to “Oshkosh Area Economic Development Corporation”.

The Board reviewed and discussed the proposed agreement with OAEDC. Rob Kleman reported that his Board has agreed to move ahead with an agreement and looks forward to working with IDB on this. The agreement specifies that OAEDC would conduct all administrative tasks related to the IDB’s CDBG-ED RLF program including conducting all underwriting activities, loan closing, and on-going monitoring of new loans and loans approved before the agreement. The agreement will replace a similar agreement the Board has with West Pointe Bank, and therefore West Pointe Bank will be notified that the IDB will discontinue the contract with them. Steve Volkert questioned whether there is the potential for a conflict of interest in contracting with OAEDC in that a business in Oshkosh might apply for these funds. It was noted that the City of Oshkosh is not entitled to borrow dollars from this loan program as the City already receives Block grant dollars directly. Questions arose as to how OAEDC gets compensated. Jerry Bougie indicated the agreement specifies that fees for OAEDC services will equal 3% of loan total plus \$3,000 per loan application to be paid by the applicant from loan proceeds at time of closing. Discussion pursued.

Motion by Dave Albrecht, seconded by Kathy Lennon to approve the agreement and prepare and enter into a contract with OAEDC to conduct the administrative services for the IDB’s CDBG-ED Revolving Loan Fund Program. Motion passed 8-0. Jerry Bougie and John Bodnar will pursue a formal contract with OAEDC to formalize the agreement and notify West Pointe Bank that IDB will discontinue its contract with them.

5. Confirm next meeting date: Stan Kline reported that the next IDB meeting will be held on Tuesday, February 15 at 1:30 pm. The primary items for discussion are the review and decision on per capita funding applications as submitted by the local communities.

Motion by John Bodnar, seconded by George Dearborn to adjourn. Motion passed 8-0. Meeting adjourned at 2:55 pm

Submitted by,

Jerry L. Bougie, Planning Director