

**CITY OF SAINT PETER, MINNESOTA**  
**Economic Development Authority**  
**REGULAR MEETING MINUTES – January 28, 2021**  
**Virtual Meeting via GoToMeeting**

**Call to Order**

The virtual meeting of the Saint Peter Economic Development Authority (EDA) was called to order at approximately 12:04 p.m. Roll call was taken with James Dunn, Brad DeVos, Ed Johnson, and Julie Frederickson in attendance. Members Mike Favre, Bob Southworth and Cory Abels were absent. City staff present were Community Development Director Russ Wille, Finance Director Sally Vogel and Administrative Secretary Cindy Moulton.

**Approval of Agenda**

Motion by Johnson, second by Frederickson to approve the agenda as presented. With all voting in favor the motion was carried and the agenda approved.

**Election of Officers**

Motion by Johnson to nominate Dunn as President, second by DeVos . With the lack of additional nominations, all members voting aye, Dunn was elected President.

Motion by DeVos to nominate Abels as Vice President, second by Dunn. With the lack of additional nominations, all members voting aye, Abels was elected Vice President.

Wille stated that the Treasurer and Secretary positions are held by the City's Finance Director and City Administrator. Motion by Johnson, second by Dunn to appoint Finance Director Vogel as Treasurer. All members voting aye, the motion carried.

Motion by DeVos, second by Dunn to appoint City Administrator Todd Prafke as Secretary. All members voting aye, the motion carried.

**Approval of Meeting Minutes**

Motion by Johnson, second by Frederickson to approve the minutes of the December 2, 2020 meeting of the EDA as presented. All voted in favor, the minutes were approved as presented.

**River Rock Kitchen & Bakery (Balloon Extension Request)**

In 2016 a \$40,000 revolving loan was provided to River Rock Kitchen & Bakery (Montana Rasmussen) when she purchased the business from Tamika Bertram. At the time of purchase, Rasmussen was a tenant at 219 Park Row and moved the business to that location.

The mortgage was secured against Rasmussen's residence located at 214 North Fourth Street. FNB requested that the City subordinate its mortgage and allow the bank to hold the first. Wille stated that the City Council accepted the request.

Wille stated that Rasmussen recently refinanced the first mortgage on her residence to take advantage of a lower interest rate. Again FNB requested that the City subordinate its mortgage to allow the bank to hold the first. He indicated that the City Council accepted the request.

Wille said that at the time the revolving loan was approved, payments were established at \$400 per month with an interest rate of 3.5%, and a balloon payment after five years (February 1, 2021). Ms. Rasmussen has requested that the balloon payment be extended for an additional five years which would make the balloon payment due and payable on February 1, 2026..

Wille noted that the loan balance is currently \$23,540. He stated that Rasmussen's payment history has been exemplary.

Wille indicated that he is anticipating correspondence from FNB suggesting the bank is unable to provide additional credit to River Rock Bakery to provide for the refinancing of the EDA's portion of the project.

Motion by Johnson, second by Dunn to introduce Resolution No. 2021-01 entitled, "Resolution Recommending The Modification Of The Terms Of The Revolving Loan Previously Provided To River Rock Kitchen & Bakery Extending The Balloon Payment Of The Loan An Additional Five Years To February 21, 2026". All members voting in favor, the Resolution was passed and adopted.

### **Reports**

**MNO Realty (Hotel 221)** – John Mayer and Tim Bartlet own the property located at 221 Park Row (former McKenzie Agency). Their intention is to remodel the building into a micro boutique and a 3 room hotel. Wille explained that the bids they received for the remodel are two years old and need to be updated. Wille also added that a post development appraisal will need to be completed.

**COVID 19 Micro Loans** – The City has received 59 loan applications for the second round of COVID funding. The loan amount totals \$603,768 thus far.

DeVos asked if there will be an end date established.

Wille stated that a potential date of March 31, 2021 has been discussed. Further discussion will take place at the February meeting.

**Revolving Loan Fund Report** – The RLF report indicates that revolving loan fund balance is \$2,245,687.23.

### **Adjournment**

With no further business a motion was made by Johnson, seconded by Frederickson to adjourn. All members voting aye, the meeting adjourned at 12:15 pm.