

**Beulah JDA**  
**Board Meeting Minutes**  
**December 18, 2019**  
**3:30 PM - Beulah City Hall**

**Attendance:** Nathan Richter, Beaver Brinkman, Michael Woods, Scott Solem, Travis Frey, Kim Kessler, Gloria Olheiser

**Absent:** Clyde Schulz, Blake Seibel, Vern Muscha, Mary Lou Horning, Jerry Isaak

- A. **Call Meeting to Order**-Nathan called the meeting to order at 3:30 pm.
- B. **Agenda Approval**- Nathan asked for a motion to approve the agenda. Beaver asked that two agenda items be added under New Business. The first will be added as Item #6 regarding JDA's consideration of a \$259.39 contribution toward the costs of hosting the Vision West conference in Beulah in November. The second will be added as Item #7 regarding a proposal to increase the hourly wage for Amber Russell, custodial staff at the USDA building.
- C. **Meeting Minutes**- Beaver moved to approve the July 17, July 25, August 21, October 22 and November 20 meeting minutes; Gloria seconded. Motion approved.

**D. Financial Report**

Michael presented the current financial statements. The following items were noted for clarification:

- The Incentive and Grant buy down listed for the Country Kettle should instead be for Leonard Lossen (Dairy Queen).
- Michael will check on entries noted as Mill Levy to provide more detail of those receipts.
- The relationship between JDA and Heritage Park Market was discussed along with how the funds for each are earmarked. Gloria expressed concerns that Heritage Park Market might not be given the benefit of the funds that it generated.
- The reporting for the two Main Street businesses included in the financial reports was clarified. 112 Main is the Country Kettle and 213 Main is B'Dolce Bakery. Going forward, both properties will be identified by their names rather than their address. B'Dolce needs to be accounted for as a contract for deed rather than as a rental property. The auditors will determine if that should be reported on the balance sheet or as part of the Profit & Loss report.

Beaver will need reports regarding the USDA building as soon as possible after the first of the year.

Beaver moved to approve the financial reports as amended; Gloria seconded. Motion approved.

The Audit will be reviewed at the next regular meeting.

Michael presented the reports setting out interest buy downs on behalf of local businesses. The reports have been reformatted and are intended to more clearly provide information relating to timing and duration of JDA's outstanding commitments and the availability of funds.

In the discussion it was reported that CCCHC is no longer seeking an interest by down from JDA as it has been able to get funding from another source. The need for consistent notification policies from entities seeking buy down assistance was discussed so that JDA has timely information when considering other buy down requests.

## **E. OLD BUSINESS**

### **1) USDA Building**

**Lease Update** – Beaver reported that he has received an approved floor plan under which the USDA has carved out space from its current floor plan. A potential tenant has already expressed interest in that space. Additional paperwork still needs to be completed to determine the lease rate. January 17, 2020 is the due date to present the USDA the lease package. Beaver is hoping to meet with Ken Nelson in Dickinson before then to look at their proposals which were successful and from which Beulah could use to model its package.

JDA is currently providing nightly cleaning to the entire building. JDA will continue to be responsible for cleaning the common areas but new tenants will be responsible for their own space going forward.

**Appraisal Requests** – There have been two responses to requests for the appraisal of the property. Using a Licensed Building Inspector for the appraisal will also be accepted by USDA. Beaver moved to approve the commercial inspection so long as it is less than \$4000.00; Kim seconded. Motion approved.

**Building Remodel** - The reconfiguration of office space will not require major remodeling.

Bathroom remodeling will be included in the overall discussion. In the event bathroom remodeling will be required, it is anticipated that the remodeling costs would be around \$100,000. The costs for that would be charged back as common space.

JDA is still waiting on bids for the siding.

### **2) J & M Industrial Buy-down Request** – Nathan reminded board members that there is a perceived conflict of interest with his participation in the decision as Union State Bank is involved with the financing of the project.

J & M Industrial has submitted a request for an interest buy-down grant in the financing of its purchase of the former Shopko property. The interest buy-down would be for \$85,714.34 for not more than 10 years.

There was discussion on what criteria if any is used in consideration of requests for interest buy-downs. Gloria noted her understanding of previous limitations concerning time and

amount and that J & M's request appears to be outside those prior guidelines. It was noted that there has never been guidelines set out to dictate limitations. Generally, preference has been given in the past for those projects that will provide the biggest benefits to the community. There was discussion concerning the need to balance individual requests with consideration of current and future buy-downs. There may be a need in the future for JDA to go the City to request additional funding in the event a beneficial opportunity arises. Guidelines establishing internal policies are important and will be considered going forward.

There was unanimous support for the project and all saw it as being extremely beneficial to the community. J & M's long term commitment to the community was praised.

Beaver moved acceptance of the interest buy-down request from J & M Industrial for its purchase of the former Shopko property in the amount of \$85,714.34 for a maximum of ten (10) years; Scott seconded. Approved unanimously.

- 3) **Greystone Hotel** – Nathan reported that he has met with parties from the Greystone and outstanding issues appear to now be resolved.

**Building and Office Keys** – Communications will continue until a resolution is reached.

**Masonry** – It is on hold until bids are received in the spring of 2020.

- 4) **Bylaws** – In order to streamline the process, Scott recommended JDA set up a committee to review the proposed bylaws to then bring back its recommendation(s) to the full board. The committee will consist of Kim, Travis, Scott and Gloria. Gloria will take care of ensuring notification requirements are in order.

## F. NEW BUSINESS

- 1) **Rent Assistance - New Way Health Store** – Michelle Knecht has purchased the business entity for the New Way Health Store and has been notified by the landlord that there will be a rent increase at the first of the year. She has submitted a letter requesting rent assistance from JDA of \$125 per month for one year (Total assistance provided will be \$1500). Beaver moved approval of JDA providing New Way Health Store \$125.00 per month in rental assistance for one year; Travis seconded. Approved unanimously.
- 2) **David Whipps Buy-down Request** – David Whipps has indicated that he will be submitting an interest buy-down request on behalf of a second business entity that he is forming as the owner of the building that adjoins the Nite Owl Bar. The interest buy-down will be for a loan to undertake remodeling the physical property so that the two properties are separated. The anticipated request will be tabled and removed from the agenda until a formal request is received.
- 3) **Building Values** – Further discussion was put on hold until the audit and financials have been reviewed. Beaver, Michael and Nathan will do the initial review once the audit and financials have been completed.

- 4) **Election of Directors** - The term limits for Gloria, Mary Lou, Scott and Beaver will terminate on December 31, 2019. Nominations approved today will still need to be approved by City Council at its January meeting.

Scott moved approval of **Gloria Olheiser** for a three year term; Kim seconded. Approved unanimously. Gloria's term will expire on December 31, 2022.

Kim moved approval of **Scott Solem** for a three year term; Beaver seconded. Approved unanimously. Scott's term will expire on December 31, 2022.

Gloria moved approval of **Granville (Beaver) Brinkman**; Kim seconded. Approved unanimously. Granville's term will expire on December 31, 2022.

Scott moved approval of **Mary Lou Horning**; Gloria seconded. Approved unanimously. Mary Lou's term will expire on December 31, 2022.

Nathan noted that the scheduling of meeting dates and times can be changed if others work better for members' availability.

There was discussion regarding the possibility of adding one more member.

5. **Election of Officers** – All current positions will terminate on December 31, 2019. The current bylaws require that officers must be directors.

**Chair** – Kim nominated Nathan Richter; approved unanimously.

**Vice Chair** – Michael nominated Jerry Isaacs; Scott nominated Travis Frey; Travis Frey approved.

**Secretary** – Kim nominated Granville (Beaver) Brinkman; approved unanimously.

**Treasurer** – Travis nominated Michael Woods; approved unanimously.

6. **Vision West Donation** – Beaver provided a brief overview of Vision West's purpose and efforts on behalf of western North Dakota. Beaver thanked Bronson's Supervalu for its generosity in supporting the meeting. He is asking for JDA to consider donating \$259.39 a portion of the costs incurred by the city in hosting the event. Gloria moved approval of JDA contributing \$259.39 toward the costs incurred in hosting the Vision West Conference; Kim seconded. Approved unanimously.
7. **Custodial Staff for USDA Building** – Amber Russell is the custodial staff at the USDA building. USDA requires cleaning on a nightly basis. She is currently being paid \$14.00 per hour. It has been proposed that her hourly wage be increased to \$17.00. Gloria moved approval of increasing the hourly wage for Amber Russell from \$14.00 to \$17.00; Beaver seconded. Approved unanimously.

**Meeting was adjourned at 5:39 pm.**

Submitted by,

Beaver Brinkman, Secretary