LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC.
June 16, 2016
Administrative Center – Room 3220

MEMBERS PRESENT: Tara Johnson, Sharon Hampson, Sharon Davidson, Dirk Gasterland, Dave Holtze, Dave Lange, Debra McKenney, Matt Nikolay, Steve O’Malley, Michael Richards, Laurie Miller, Tina Wehrs, John Wettstein

MEMBERS EXCUSED: Patti Balacek, Mike Giese

OTHERS PRESENT: Brian Fukuda, Jay Sparks, Joan Ferris, Terri Pavlic

CALL TO ORDER
Chair Johnson called the meeting to order at 4:30 p.m.

PUBLIC COMMENT
There was no public comment.

REVOLVING LOAN FUND STATUS REPORT
Included in the packets was a copy of a Loan Fund Status Report that Greg Flogstad updated for the Board. It includes history and current status of outstanding loans that the La Crosse County Economic Development Fund has. Greg will add a column in the future to capture “peak employment” to show the community impact some of these loans had for many years during the life of their loans.

Brian noted that La Crosse County is a “lender of last resort” so our loans are typically going to be a bit riskier. We also typically must have a traditional lender involved in the deal, and they are almost always in first position on collateral – so our loans are not typically very well secured. Our three funds were capitalized with a total of $1,828,816 and as of April 1, 2016 the total assets of the funds were at $1,961,971, so the funds have not lost money. Also, they have leveraged over $28m in private funds and have helped to create significant jobs in our community. A couple of suggestions were made by the committee for preparing future reports.

CONSIDERATION OF LOAN APPLICATION FROM LOVECHILD RESTAURANT
MOTION by Holtze/Lange to reconsider the loan application from Lovechild Restaurant. Motion carried unanimously; Balacek and Giese excused.

Included in the packets was an updated summary of the loan application from Lovechild Restaurant that was denied at the last meeting. An updated summary shows a slight modification, as the owners were able to come up with additional cash to bring their equity contribution up to the required 10%. This reduced their borrowing need to $170,400 (from the original request of $196,000). Also included in the packets were the resumes of Joan Ferris and Jay Sparks, owners of Lovechild Restaurant; an article from the Star Tribune profiling Jay as one of the “Great Chefs of Minnesota”; a list of the awards that some of their previous restaurants have won; and an email from Joan Ferris regarding their additional equity. Managing Director Ferris and Executive Chef Sparks were present at the meeting to give an overview of their proposed project located at 300 Third Street.

MOTION Wehrs/Hampson to approve the loan request in the amount of $170,400 from Lovechild Restaurant. Motion carried unanimously; Balacek and Giese excused.

NEXT MEETING: July 7, 2016

ADJOURN
There being no further business, MOTION by Gasterland/Nikolay to adjourn the meeting at 5:09 p.m. Motion carried unanimously; Balacek and Giese excused.

APPROVED July 7, 2016 - Terri Pavlic, Recorder