

SHEBOYGAN COUNTY REVOLVING LOAN FUND COMMITTEE MINUTES

February 16, 2023

Called to Order: 9:00 AM

Adjourned: 9:23 AM

MEMEBERS PRESENT: Chairperson Vernon C. Koch, Tom Brickley, Gary Dulmes, Supervisor Roger Te Stroete

MEMBERS PRESENT: Vice Chairperson Keith Abler (Remote)

MEMBERS ABSENT: Don Hammond

ALSO PRESENT: Paul Kuplic, Steve Wisse, Bill Prusow, Jeremy Fetterer, Ray York, and Brian Doudna

The meeting was called to order by Chairperson Koch at 9:00 AM. It was noted that the agenda was posted on February 14, 2023 at 3:00 PM in compliance with the Wisconsin Open Meeting Law. The committee did introductions to begin the meeting. The agenda didn't include approval of the minutes, so the October meeting minutes will be forwarded to the next meeting of the RLF Committee. There was no correspondence to the committee.

Consideration of Loan Request – Pros 4 Technology Inc

York presented the project summary and the loan request of \$100,000 with a 5-year term and amortization schedule. The project will include construction of a new building in the Vision Business Park in Sheboygan Falls. The business is currently operating in the City of Plymouth, but out grew their space and found the business park as the best location for their growing clientele. The SCEDC staff worked with the business owner, Oostburg State Bank and WBD, Inc. Brickley commended the deal structuring on the project and noted that appraisals have been coming in lower on new construction and asked if the overrun contingency had been considered. Doudna noted that the WBD did include the 10% overrun as part of the loan package. The committee discussed whether additional information was needed and if a closed session was required. The committee felt comfortable with the structuring and didn't feel a closed session was warranted. A motion was made by Brickley and seconded by Supervisor Te Stroete to approve the loan terms as presented and structured by the SCEDC staff. Motion carried.

Consideration of Loan Request – Falls Healing Arts

York presented the project summary. The original request by the applicant was for \$150,000 from the Sheboygan County Revolving Loan Fund. The project was sent to underwriting by Enlighten Financial due to the SCEDC having an existing SCEDC relationship with the applicant company.

During the application review, the SCEDC worked with partners to reduce the request from the County RLF to reduce the risk and to ensure adequate resources for pending applications to the County RLF. The underwriting performed contemplate a loan of \$100,000 by the County RLF. The loan request has been lowered to \$50,000 by having the existing owner of the business provide a personal loan to the new business operator. Brickley asked if the new owner had a non-compete with the previous owner. York noted that a non-compete had been implemented. The City of Sheboygan Falls RLF has approved their \$50,000 note on this project. Brickley

noted that the RLF may want to require a disability insurance policy in addition to life insurance due to the nature of the business. The new owner is buying the business and the building with the loan proceeds. A motion was made by Dulmes and seconded by Mr. Brickley to approve the \$50,000 loan with the terms outlined with the addition of disability insurance. Motion carried.

Other Business

Doudna reported on the loan pipeline. He also noted that the new County Administrator will be tasked with appointments to the RLF and the Industrial Development Agency. He noted that with Tom Brickley becoming an SCEDC Board member that all of the existing at-large members of the committee are now on the SCEDC Board of Directors, he will be advising the County Administrator as they appoint representation in April. Supervisor Te Stroete spoke about the services being provided by the SCEDC. The efforts of the SCEDC to get out to the entire county has been noted by many in the county government. Supervisor Te Stroete spoke on the recent meeting held related to the Cedar Grove Tax Incremental Financing District and the potential impact to that area of the county. Doudna thanked the Supervisor for the kind words about the SCEDC and the services provided by its staff.

Being no other business, a motion was made by Supervisor Te Stroete and seconded by Mr. Dulmes to adjourn the meeting. Motion carried.

Brian Doudna
Recording Secretary

Vern Koch
Committee Chair