

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Tuesday, April 13, 2020. City Administrator Harrenstein on March 31, 2020, under MN Statute Section 13D.021, declared the use of electronic meetings due to the COVID-19 pandemic.

President Arnold called the meeting to order at 12:00 p.m. The following were present in the Council Chambers: Commissioners Steiner, Norland, Arnold, Executive Vice President Harrenstein, and Secretary Van Genderen. The following were present remotely by Zoom application: Commissioners Whitlock, Olenius, Dehen, and Oachs, and Assistant Treasurer McCann.

Approval of the Minutes

Commissioner Norland moved, seconded by Commissioner Steiner, to approve the minutes of the Port Authority meeting of February 18, 2020. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Oachs, and Steiner, aye, no nays. Motion carried.

Approval of Bills

Commissioner Norland moved, seconded by Commissioner Steiner, to approve the bills of the North Mankato Port Authority. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Oachs, and Steiner, aye, no nays. Motion carried.

Approved Northside Revivals Home Improvement Grant Application-Kristen & Sammi Olinger

Community Development Director Fischer reviewed the application. The applicant is only applying for the grant, and the project qualifies for the full 10% of the total project cost. The applicant is requesting a \$2,610.00 grant to assist with the finishing of attic space. Included in the packet was the contractor estimate of \$26,100 and a preapproval letter from Frandsen Bank & Trust approving a loan for the applicant. Community Development Director Fischer reported a repayment plan of \$500.00 a year is included if the terms of the grant application are not met. Commissioner Dehen moved, seconded by Commissioner Steiner, to Approve the Northside Revivals Home Improvement Grant Application. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Oachs, and Steiner, aye, no nays. Motion carried.

Res. No. 3-20 Recommending the Establishment of the COVID-19 Assistance Loan Program to Assist Eligible North Mankato Businesses

President Arnold requested Commissioner Olenius to review the federal Paycheck Protection Program (PPP). Commissioner Olenius discussed how the PPP program works, who qualifies, and what bills qualify for the program.

Executive Vice President Harrenstein addressed the reasons for the establishment of the COVID-19 Assistance Loan Program. Governor Walz's executive order closing certain businesses to slow the spread of COVID-19 has caused havoc to local businesses and the economy. The proposed program reflects other local programs, including ones in St. Peter, Eagle Lake, and Lake Crystal.

Executive Vice President Harrenstein reviewed the program scope. Eligible businesses include bars, restaurants, clubs, arts/crafts stores, fitness/health studios, retail sales, pet care/grooming, and hair salons/barbershops. The maximum amount under the program is \$12,500 per participating business, with maximum funding received on three months of mortgage/lease payments and utility payments. The loan is a five-year loan at 3% interest deferred until August 31, 2021. The repayment of the loan shall begin on September 1, 2021. The loan shall be utilized to pay lease/mortgage payment and utility bill payments. The Port Authority reserves the right to approve, deny, or modify all loan requests. Executive Vice President Harrenstein reported there had been several changes to the proposed loan program, but the resolution and attached loan package are being recommended.

Additional discussion was held concerning PPP and how the proposed COVID-19 Assistance Loan could work together to assist struggling businesses.

Commissioner Dehen stated with the loan program capped at \$300,000; the Port could potentially provide 24 loans at \$12,500. Commissioner Dehen requested clarification on how the loans would be prioritized and suggested prioritizing closed businesses and then businesses that have limited operations. Attorney Kennedy asked for clarification on if local mom and pop stores would take precedence over large corporately owned businesses. Executive Vice President Harrenstein reported a loan review committee comprised of himself, the President of the Port Authority, and Assistant Treasurer McCann would review and prioritize the loan applications under the Port Authorities established guidelines. A discussion was held concerning who would sign the promissory notes and personal guarantees. It was determined the promissory notes would be signed by the businesses and personal guarantees by the business owners.

Commissioner Norland moved, seconded by Commissioner Steiner, to Adopt Res. No. 3-20 Recommending the Establishment of the COVID-19 Assistance Loan Program to Assist Eligible North Mankato Businesses. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Oachs, and Steiner, aye, no nays. Motion carried.

Other Business

Executive Vice President Harrenstein reported building around the City continues with an estimated 36 million in construction. He noted the City has begun working with Development Services out of Ivanhoe, Minnesota, to apply for BDI grants and other grants actively.

Open Meeting to the Public

Barb Church, 102 Wheeler Avenue, on the teleconference line requested Commissioners identify themselves before they speak.

There being no further business, Commissioner Norland moved, seconded by Commissioner Whitlock, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 12:56 p.m.

President

Secretary