Meeting of the Joint Finance Committee
Held at the Elk River City Hall
Tuesday, April 29, 2025

Members Present:	Committee Member Ryan Hardin, Committee Member Jim Gromberg, Commissioner Nate Ovall, Committee Member Tony Sofio, Commissioner Lynn Caswell, President Matt Westgaard
Members Absent:	Committee Member Chad Vitzthum Commissioner Charlie Blesener
Staff Present:	Economic Development Director Brent O'Neil, and Economic Development Specialist Josh Mollan

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 7:32 a.m. by Mr. O'Neil.

2. NOMINATE AND ELECT JFC CHAIR

Moved by Caswell and seconded by Hardin to elect Nate Ovall as Joint Finance Committee Chair. Motion carried 6-0.

3. CONSIDER AGENDA

Moved by Hardin and seconded by Gromberg to approve the agenda. Motion carried 6-0.

4. CONSIDER MINUTES

4.1 09-24-2024 JFC Minutes

Moved by Gromberg and seconded by Westgaard to approve the September 24, 2024 Meeting Minutes. Motion carried 6-0.

5. GENERAL BUSINESS

5.1 Review EDA Microloan Program(s)

Mr. O'Neil presented the staff report.

Ovall shared that the current prime rate is 7.5%. He suggested tying the rate to the prime rate or a spread over the interest rate on the EDA's savings accounts.

Hardin suggested aligning the downtown district boundary with the Downtown District zoning area.

Gromberg suggested having a city-wide program with caveats for the downtown area.

O'Neil asked the committee for feedback on if a third or fourth position on a loan would be accepted.

Hardin asked about the possibility of tying loans to property taxes as a special assessment.

Sofio suggested capping at third position and considering fourth at a case by case basis.

Caswell agreed capping at third position.

Ovall suggested taking the fee out of net proceeds instead of paying it upfront, however, being mindful of the subsidy threshold.

The committee was in consensus about removing the scoring criteria from the loan application.

Ovall suggested that staff look into streamlining lower amount loans by bypassing the Joint Finance Committee review to decrease the time it takes for businesses to receive funds.

Ovall shared that he is not in favor of software at the current volume. He suggested looking into rotating loan administration between local partner banks.

(Ovall appointed Westgaard to conclude the meeting, and left at 8:24 a.m.)

Gromberg was comfortable working with existing banks for administration and shared that the partnership could help promote the programs.

(Caswell left at 8:29 a.m.)

Sofio advised that he is comfortable having the program be open to new construction projects.

5.2 General Updates

O'Neil shared that Pinewood Golf Course received recent vandalism and that someone had inquired on the golf course's behalf about potential assistance the EDA or HRA could provide toward the restoration efforts.

Jim suggested looking into funding by special assessment.

6. ADJOURNMENT

Moved by Gromberg and seconded by Hardin to adjourn the meeting. Motion carried 4-0.

The meeting adjourned at 08:38 a.m.

Minutes prepared by Brent O'Neil and Josh Mollan.

Josh Mollan, Recording Secretary

Justin Dunford, City Clerk