

**Citizens Advisory Review Committee
Agenda
July 16, 2015 – 12:00 p.m.
City Hall Conference Room
400 Ella Street – Beatrice, Nebraska**

1 - Roll Call

2 - Consent Agenda:

- a. Approve agenda as submitted.
- b. Receive and place on file all notices pertaining to this meeting.
- c. Receive and place on file all materials having any bearing on this meeting.
- d. Approval of minutes of May 26, 2015 meeting.

3 - Public Hearings/Bids: None

4 - Resolutions: None

5 - Ordinances: None

6 - Public Forum:

7 - Discussions/Reports:

- a. Financial Report as of June 30, 2015.
- b. Status of CDBG Revolving Loans and LB840 Projects.
- c. Possible Projects.

8 - Adjournment

MINUTES OF THE CITIZENS ADVISORY REVIEW COMMITTEE

A meeting of the Citizens Advisory Review Committee was held on the 26th day of May, 2015 at 5:30 p.m. in the City Hall Conference Room, 400 Ella Street, Beatrice, Nebraska.

ROLL CALL

Attending: Committee Members: Chairman Jones, Doyle, and Russell

Absent: Committee Members: Johnsen and White.

Committee Chairman Jones announced that a copy of the Open Meetings Act is posted in the meeting room and is accessible to members of the public.

CONSENT AGENDA

- a. Approve agenda as submitted.
- b. Receive and place on file all notices pertaining to this meeting.
- c. Receive and place on file all materials having any bearing on this meeting.
- d. Approval of minutes of April 23, 2015 meeting.

Moved by Russell, seconded by Doyle, that the items listed under the consent agenda be approved as presented.

Roll Call: Yea: Doyle, Jones, Russell

Nay: None

MOTION CARRIED.

FINANCIAL UPDATE

Tobias Tempelmeyer, City Administrator, advised the Committee that the current LB840 funds balance as of April 30, 2015 is \$836,620.45 and the CDBG Reuse Loan Fund balance is approximately \$46,746.83.

Moved by Doyle, seconded by Russell to receive and place on file.

Roll Call: Yea: Doyle, Jones, Russell

Nay: None

MOTION CARRIED.

DISCUSSION ITEMS

Review LB840 Application of Nu Nebraska RC, LLC.

Bryan Mellage of Nu Nebraska RC, LLC was present and discussed their application. Mellage advised that the LLC is a regional center under the federal EB-5 program, which allows for accelerated visa and citizenship in return for a capital investment and job creation in the United States. Mellage advised that the money received from the foreign investors is a loan to the LLC. The plan is for the LLC to build an assisted living facility in Beatrice. Mellage advised that he is looking at a couple parcels of land in and around Beatrice, but he has no signed agreement as of this time.

Committee Member Russell asked about the size of the current project. Mellage advised that they are looking to build a 15 apartment assisted living facility to start with, then look to expand the assisted living facility, and build a nursing home with a memory care center.

Discussion ensued about the amount of guarantee that Mellage and his partners were willing to give the City. Mayor Wirth then asked Mellage if they would be willing to give personal guarantees in the amount of 50% of the loan and a copy of the studies that are completed if the entire loan became forgivable upon the construction of the 15 unit building as previously discussed. Mellage indicated that he would be agreeable to those terms.

Moved by Doyle, seconded by Russell, that the LB840 Funding Request from Nu Nebraska RC, LLC be recommended to the City Council for approval based upon the agreement being structured as a loan equal to 50% of the cost of the market need study, business plan, work business schedule, financial performance, architectural drawings, engineer rendering, and attorney services needed by the LLC to determine the feasibility of this project up to a maximum of \$35,000, the partners personally guaranteeing 50% of the amount loaned to them by the City, the City receiving copies of all of the studies, and that the loan is forgivable if the LLC builds the 15 unit assisted living facility in Beatrice, NE.

Roll Call: Yea: Doyle, Jones, Russell
 Nay: None

MOTION CARRIED.

ADJOURNMENT

Moved by Russell, seconded by Doyle, that the meeting be adjourned at 6:30 p.m.

Roll Call: Yea: Doyle, Jones, Russell
 Nay: None

MOTION CARRIED.

CITY OF BEATRICE

BALANCE SHEET

JUNE 30, 2015

CDBG FUND

ASSETS

05-00-101-00	CASH-REVOLVING LOAN FUND	57,976.03	
05-00-120-00	LOANS RECEIVABLE-STORE KRAFT	249,999.60	
05-00-120-01	LOAN RECEIVABLE-CANNED HAMS	183,446.56	
05-00-120-02	LOANS RECEIVABLE-UNCOLLECTIBLE	(590,000.00)	
05-00-120-03	LOANS RECEIVABLE LMRRLR	80,000.00	
05-00-120-06	LOANS RECEIVABLE/BVA	300,000.00	
05-00-120-07	LOANS RECEIVABLE-5STAT	330,000.00	
05-00-120-08	LOANS RECV-HOMESTEAD AUTO GLAS	16,350.09	
	TOTAL ASSETS		<u>627,772.28</u>

LIABILITIES AND EQUITYFUND EQUITY

05-00-250-01	RESERVED FOR NONCURRENT LOANS	359,122.24	
05-00-250-02	RESERVE FOR REVOLVING LOANS	263,482.90	
	UNAPPROPRIATED FUND BALANCE:		
	REVENUE OVER (UNDER) EXPENDITURES - YTD	<u>5,167.14</u>	
	BALANCE - CURRENT DATE	<u>5,167.14</u>	
	TOTAL FUND EQUITY		<u>627,772.28</u>
	TOTAL LIABILITIES AND EQUITY		<u>627,772.28</u>

CITY OF BEATRICE
BALANCE SHEET
JUNE 30, 2015

ECONOMIC DEVELOPMENT FUND

ASSETS

50-00-100-00	CASH - COMBINED CASH FUND	(6,400.00)	
50-00-101-00	CASH	625,125.35	
50-00-104-00	INVESTMENTS	400,000.00	
50-00-120-00	ACCOUNTS RECEIVABLE	1,276.00	
50-00-120-04	LOAN RECEIVABLE-LMRRRLR	60,000.00	
50-00-120-05	LOAN RECEIVABLE-DEMPSTERS LLC	110,000.00	
50-00-120-09	LOAN RECEIVABLE-NGAGE RE	100,000.00	
	TOTAL ASSETS		1,290,001.35

LIABILITIES AND EQUITY

LIABILITIES

50-00-201-00	ACCOUNTS PAYABLE	20,313.23	
	TOTAL LIABILITIES		20,313.23

FUND EQUITY

50-00-250-01	RESERVED FOR ECONOMIC DEV.	1,128,265.20	
	UNAPPROPRIATED FUND BALANCE:		
	REVENUE OVER (UNDER) EXPENDITURES - YTD	141,422.92	
	BALANCE - CURRENT DATE	141,422.92	
	TOTAL FUND EQUITY		1,269,688.12
	TOTAL LIABILITIES AND EQUITY		1,290,001.35

CITY OF BEATRICE, NEBRASKA
ECONOMIC DEVELOPMENT FUND
STATEMENT OF REVENUES & EXPENDITURES
As 6/30/2015 with comparative prior totals

	Current YTD 10/1/14 to date	3rd 10 years 4/1/13 - 9/30/14	2nd 10 years 4/1/03-3/31/13	1st 10 years 4/1/93-3/31/03
Revenues:				
Sales Tax	\$ 250,000.00	\$ 307,965.61	\$ 2,521,107.54	\$ 2,529,398.94
Grants	300,000.00	28,724.00	0.00	0.00
Interest	2,517.96	4,023.23	165,198.15	98,352.08
Misc. Revenues/Rents (Wesflex, farm)	18,940.10	30,008.00	148,209.92	201,279.85
Loan Repayments		0.00	0.00	736,975.80
Land Sales/Bldg Sales	0.00	20,000.00	589,847.99	333,899.18
Loan/Bond Proceeds		0.00	0.00	1,394,594.50
Reimbursement (FY15-Branding Project)	15,500.00	0.00	237,000.00	1,779.00
Total Revenues	\$ 586,958.06	\$ 390,720.84	\$ 3,661,363.60	\$ 5,296,279.35
Expenditures/Obligations:				
Bond Issuance Expenses			0.00	14,610.60
Building Capital (J & J/Wesflex)			17,302.78	821,878.24
Building Capital (MW Coatings)			0.00	151,330.58
Building Capital (Peak Labs)			0.00	493,483.28
BVA Support (loan guarantee settlement)			225,000.00	0.00
Industrial Park Improvements			15,183.04	162,769.92
Land Purchases		97,672.40	289,736.04	442,922.09
Rail Spur			0.00	613,308.48
Professional Services (Ngage)	78,435.14	86,878.81	954,857.26	2,650.00
ED Offices			125,000.00	0.00
Other Expenditures (Comp Plan, Branding)	22,300.00	70,212.00	45,022.28	23,097.83
Paving/Water/Sewer Imp.		59,047.66	893,128.77	140,647.21
DED SBDF Grant-NEAPCO	300,000.00			
ED Loan-LMRRLR LLC	60,000.00			
ED Loan-Dempsters	110,000.00			
ED loan-Knowledge Marketing			465,000.00	0.00
ED Loan-Ngage (for Rare Earth)	144,800.00			
Business Park			96,763.77	261,037.95
Total Expenditures/Obligations	\$ 715,535.14	\$ 313,810.87	\$ 3,126,993.94	\$ 3,127,736.18
CDBG Reuse Loan Repayment			86,380.86	122,381.35
Bonds & Int. Paid to Date			-	1,444,071.39
Excess(Def) of Rev over Exp	\$ (128,577.08)	\$ 76,909.97	\$ 447,988.80	\$ 602,090.43
Balance at Beginning of Period	1,126,989.20	1,050,079.23	602,090.43	0.00
Balance at End of Period	998,412.12	1,126,989.20	<u>\$ 1,050,079.23</u>	<u>\$ 602,090.43</u>
Funding for Rare Earth not paid out yet	(182,000.00)			
Funds Available	\$ 816,412.12	\$ 1,126,989.20		