**WADENA COUNTY, MINNESOTA**

**PUBLIC HEARING MINUTES**

**Monday July 10, 2017**

**5:45 p.m.**

**Verndale City Office**

**101 Brown St. SW**

**MEMBERS PRESENT:** James Ackerson, Ardith Car, Tara Erckenbrack, Raye Ludovissie, Jim Runyan

**MEMBERS ABSENT:**

**STAFF PRESENT:** Barbara Holmes, City Clerk/Treasurer

**STAFF ABSENT**: Michael Madsen, Fire Chief; Gary Rosenthal, Liquor Store Manager; Cory Carr, Police Chief; Matt Uselman, Public Works Manager

**VISITORS PRESENT:** Marlo Benning**,** Verndale Sun;Robin Fish, Robert Weiher, Harry Blonigen

The purpose of this Public Hearing is to give residents an opportunity to comment on the extension for Verndale Custom Builders(VCB) to employ the required number of employees in connection with the MIF Loan received from DEED.

Ludovissie asked Weiher how many employees they have right now. Weiher stated they have 9 employees. Ludovissie asked if the need 14. Weiher stated yes. Holmes stated she needed Weiher to give her an estimate of when they will have 14 employees so she can give it to DEED. Weiher stated he didn’t know if they would ever get to 14, honestly. Carr asked how will that affect, is it a requirement. Holmes stated it is part of their requirement for the MIF Loan that they meet the employment. Ludovissie asked how long they need to meet that requirement, as long as they have the loan. Holmes stated yes, it’s a 5-year loan. Ludovissie asked what if he includes some of the employees. Carr asked about being incorporated. Holmes stated they have to be working for that company, it can’t be fudged. Ludovissie stated no, but you could bring 5 employees over and put them under that company. Holmes stated the employees would need to be working there in the June timeframe that’s being reported on. Ludovissie asked if they would need to be in the building at that time. Weiher stated yes, whatever the City wants to do, makes no difference to them. Weiher stated if the City wants to them to buy/pay back as much as what gets back down to 9 employees. Holmes stated she didn’t know how that all works, she would have to talk to Lisa at DEED. Carr stated that it would make a difference to them if they want to stay under MIF. Holmes stated that they have the MIF loan already, it’s whether DEED will call in the loan in full or not because they haven’t met their requirements. Holmes stated that they have made their payments on time; they’ve been very good. Ludovissie asked if they could call in and say this is where they are at. Holmes stated that is what they are doing. Ludovissie stated

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there isn’t anyone to work anywhere in this area right now. Runyan stated just to hire two more guys. Ludovissie stated not having anyone to hire is the problem, can DEED take that into account or not. Holmes stated she would have to chat with Lisa to find out, DEED is redoing an extension for them, but she knows they will want a time frame on when VCB will have the 14 employees again because that is what was agreed to when they signed up for the MIF loan. Holmes stated they could say 2 years from now. Weiher stated he has 9 employees to keep busy; in order to get to 14 employees, he would have to have 35-40 houses coming out of there a year and they’re just not at that sales level. Weiher stated that in 2 years maybe they would be. Weiher stated that they started with 7 employees and now they have 9. Carr asked Holmes if they put in for an extension for 2 years, is there a possibility of revisiting that, or what does that look like. Holmes stated that then there would only be one year left on the loan so it wouldn’t be that big of a deal. Ludovissie stated that going with a two-year extension, the worst-case scenario would be to pay it off in one year. Holmes stated VCB still has 10,000 which they can draw with this. Holmes stated that with the extension DEED agreed to leave the money out there for them to utilize instead of having to have it spent by September. Holmes stated that DEED requires a public meeting to be held for the extension. Holmes stated she had to ask for an estimated time to reach 14 employees. The final decision was to ask for a 2-year extension because of sales volume and start-up costs.

The meeting was closed by Mayor Ludovissie at 5:56 pm.

**Submitted by: Attest:**

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Melissa Current, Deputy Clerk Ray Ludovissie, Mayor