

ECONOMIC DEVELOPMENT COMMITTEE

Tuesday, October 9, 2012

Third Floor County Board Room

Call Meeting To Order: Chairman, Jim Metz at 10:00 a.m.

Members Present: Jim Metz, Lester Lewis, Steve Deml, Wayne Tlusty, Bill Breneman, Vern Pernsteiner, John Lorenz, Christine Nowak, Arlen Albrecht, Sue Emmerich and Bruce Strama.

Members Absent: Chuck Zenner, Michael Wellner and Greg Brunner

Other Attendees: John Stroschine, Jeremy Zenner, and Mark Berglund (The Star News).

Approve Minutes of the February 16, 2012 meeting: Lewis/Breneman to approve the previous meeting minutes. The motion carried.

Treasurer's Report: Sarah Holtz had delivered copies of the report which were distributed by Strama. Stroschine review the report with committee members prior to a Tlusty/Deml motion to approve the Treasurer's Report as presented. The motion carried.

Stroschine suggested acting on the BellaZenn request for funding first in order to allow Jeremy Zenner to return to work as soon as possible. Committee members had no problem with the change.

New Business:

Loan review for BellaZenn Enterprises LLC (City of Medford) \$17,500 request: John Stroschine reviewed the RLF request with committee members. The requestor, Chelsea Zenner, has been sharing office space and is making the request to allow the purchase of property and construction of a building to allow expansion of the natural full service hair salon, spa and wellness center business that she owns. The review included continued employment of four current employees with the intent to hire two additional employees. Jeremy Zenner was present to answer questions as his wife; Chelsea was working and unable to attend. The advantage in building a new structure according to Zenner was his ability to build the structure, being a contractor, which would cut down on building expense. Following discussion, Deml/Breneman to approve the BellaZenn Enterprises LLC RLF loan application request of \$17,500. The motion carried unanimously.

Old Business:

Schmeiser Wood Products loan update: Stroschine reported that he has spoken with Schmeiser and that Schmeiser is still doing some sawing of lumber even though he was required to sell some of his equipment which had been used as collateral. He intends to make good on the loan, but Stroschine has serious doubts as to whether the business will succeed in this market.

Gary Schumacher CDBG MVP Loan Update: Stroschine informed committee members that Schumacher still has in excess of \$70,000 available for the purchase of additional cattle, but does not know what his timeframe or intentions are. Stroschine said that generally there is at least an 18 month window in which to spend the loan funds, so Schumacher would still have about nine months left, with additional extensions possible.

Review of the Revolving Loan Fund Semi-Annual Report: Stroschine distributed copies of the Report which covered the period from October 1, 2011 until June 30, 2012, reviewing each of the ten individual Loan Reports for the loans currently on file in the county.

Discuss merging County RLF with Northwest Regional Economic Development

Fund: Arlen Albrecht addressed the Committee, reviewing minutes of two meetings he had attended related to the merging Taylor County, Village of Rib Lake, Village of Gilman and City of Medford RLF funds with other county and municipal RLF funds to be managed by NWRP. There are some advantages and some disadvantages to merging the funds into one regional fund which according to Stroschine is a push by the state not NWRP. The main advantages are the de-federalization of funds which would allow expanded use of the funds if merged and the availability of larger loans with a larger pot of money. The main disadvantages are the loss of local control, extended timeline for issuing loans, and the loss of revenue currently used by municipalities to manage the funds. When questioned members from two of the three Development groups did not think that their respective development groups would prefer the merge with Gilman not certain either way.

Stroschine reported that he will be retiring at the end of 2012 and stated his appreciation for the opportunity to work with Taylor County. Committee gave a round of applause to Stroschine.

The Next Meeting date will be by the call of the chair.

Lewis/Thums to adjourn the meeting at 11:21 a.m. The motion carried.

Bruce P. Strama

ECONOMIC DEVELOPMENT COMMITTEE

Thursday, February 16, 2012
Third Floor County Board Room

Call Meeting To Order: Chairman, Jim Metz at 1:02 p.m.

Members Present: Jim Metz, Fred Parent, Steve Deml, Lester Lewis, Wayne Tlusty, Bill Breneman, Vern Pernsteiner, John Lorenz, Deb Conway, Arlen Albrecht, Sue Emmerich and Bruce Strama.

Members Absent: Michael Wellner and Greg Brunner

Other Attendees: John Stroschine, Wayne Lindemans, Josh Brent, Steven Mann and Sarah Holtz. Brian Wilson (The Star News) arrived at 1:16 p.m. with Arlen Albrecht arriving at 1:23 p.m.

Approve Minutes of the July 14, 2011 meeting: There was no action taken at this time as many members had not received a copy of those minutes.

Treasurer's Report: Sarah Holtz distributed copies of the up to date Report on fund and loan status for review by committee members.

Loan review for J&B Auto LLC (Village of Stetsonville), \$10,000 request: John Stroschine reviewed the RLF request with committee members. Josh Brent, following Stroschine's summary, addressed the Committee informing them of his tenure at the current business and future plans for the business. According to Brent business has increased dramatically in the past couple months and his plans include hiring an additional fully trained employee by summer. Brent answered several questions posed by the committee related to the business and any future plans. Following discussion, Pernsteiner/Deml to approve the J&B Auto, LLC RLF loan application request of \$10,000. The motion carried unanimously.

Loan Review for Wisco Stone, LLC (Village of Rib Lake) \$45,000 request: Stroschine reviewed the RLF request submitted by Wisco Stone, LLC with committee members. Following his review, Steven Mann reported on the growth and future plans for the company along with his personal background. He had also distributed samples of the product for inspection by members. According to Mann the demand for the split or sawn stone is increasing and the availability of the raw material, stones, is not an issue in this area. The company currently has distributors in Wisconsin, Michigan, Indiana, Illinois, Minnesota and the Dakotas, with plans to expand in the future. The company plans to expand following the purchase of the additional equipment listed in the RLF Review, with 10 to 12 employees expected to be on the payroll by May. Wayne Tlusty noted that the company has occupied a structure within the Village of Rib Lake large enough to allow future expansion of the company which is a plus for the village as is the opportunity for additional employment in the area. Following discussion, Tlusty/Lewis to approve the Wisco Stone, LLC loan application request of \$45,000. The motion carried.

Review of the Revolving Loan Fund Semi-Annual Report: Stroschine distributed copies of the Report and reviewed each of the eight individual Loan Reports for the loans currently on file in the county with committee members. Seven of the loans are current with only the Schmeiser Wood Products, LLC loan delinquent, though the Janick, LLC monthly payments had been lowered in 2011 for a more affordable loan payment allowing Janick LLC to remain current. Stroschine reported that Schmeiser had filed for bankruptcy and that the loan in all likelihood will be written off in the near future following the completion of the bankruptcy procedure. He also reported that the Gary Schumacher loan approved by the Taylor County Board on September 20, 2011 has finally been processed and a check should be issued within the week. The delay in issuance according to Stroschine has been the

restructuring of the Department of Commerce by the Walker Administration. When questioned about the proposed regionalizing of RLF funds, Stroschine reported that the intent of the current administration is to regionalize all RLF funds. The issue is currently in the discussion stage. According to Stroschine the purpose for regionalizing would be to utilize funds not currently being used by some RLFs and lessen the number of reports reviewed at the state level to equal the number of regional planning commissions instead of having to review reports from individual county, city and village RLF fund. The concern of many is that local control would be lost, funds may not be available for communities and the timeline for receiving funding may be increased. It was encouraged that committee members contact their representatives on this issue.

The Next Meeting date will be by the call of the chair.

Pernsteiner/Lewis to adjourn the meeting at 2:16p.m. The motion carried.

Bruce P. Strama