

**THE MINUTES OF THE REGULAR MEETING OF THE
HIBBING ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, June 1, 2022**

TIME AND PLACE: A Regular Meeting of the Hibbing Economic Development Authority was held on Wednesday, June 1, 2022, at 5:00 p.m.

CALL TO ORDER: President Shari Majkich Brock called the meeting to order at 5:00 p.m.

ATTENDANCE: Present at roll call were President Shari Majkich Brock, Vice President Rick Cannata, Member Jennifer Hoffman Saccoman, Member Steven Jurenes, Member Roger Kivela and Member John Schweiberger. Also present were City Attorney Andy Borland, City Administrator Greg Pruszinske, Sr. Executive Assistant Candie Seppala, and City Clerk-Treasurer Mary Ann Kepler.

ADDITIONS/DELETIONS:

- **ADD: BOARD REPORTS #1 & #2 & #3**

APPROVAL OF MINUTES:

Member Kivela, supported by Vice President Cannata, moved to approve the minutes of the Reorganizational and Regular Meeting of the Hibbing Economic Development Authority of April 13, 2022.

Motion CARRIED

CONSENT AGENDA:

Member Schweiberger, supported by Member Jurenes, moved to approve Consent Agenda Item #1 - #4.

Motion CARRIED

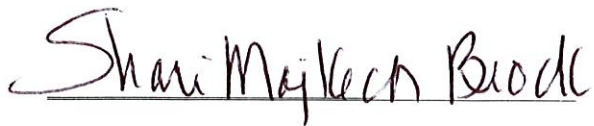
1. Affirm Economic Development Loan Fund balance as of May 31, 2022 in the amount of \$ 820,982.43
2. Approve disbursements for the month of May, 2022 in the amount of **\$2,250.00**
 - Chisholm Hibbing Airport Authority (May, 2022 rent) \$ 300.00
 - Chisholm Hibbing Airport Authority (June, 2022 rent) \$ 300.00
 - Sellman Law Office invoice for HEDA – April, 2022 \$ 157.50
 - Lockridge Grindal Nauen P.L.L.P. – May, 2022 \$ 1,650.00
3. Set the HEDA Working Session for Monday, July 18, 2022 at 5:00 pm, City Hall Council Chamber
4. Set the Regular Meeting of HEDA for Wednesday, July 20, 2022 at 4:45 p.m.

BOARD REPORTS:

Member Kivela, supported by Member Hoffman Saccoman, moved to approve the loan of Eagle Eye Properties in the amount of \$100,0000 at 3% and amortized for 10 years.

Motion CARRIED

ADJOURNMENT: There being no further business, the meeting was adjourned at 5:07 p.m. by Member Kivela, supported by Vice-President Cannata.

A handwritten signature in blue ink that reads "Shari Majkich Brock". The signature is written in a cursive style and is positioned above a horizontal line.

President Shari Majkich Brock

A handwritten signature in blue ink that reads "Candie Seppala". The signature is written in a cursive style and is positioned above a horizontal line.

Sr. Executive Assistant Candie Seppala

1) Authorize the Subordination Agreement for the following for Lietz Properties, LLC :

Lot 1, Block 5, Central Addition to Hibbing
Lot 2, Block 5, Central Addition to Hibbing
Lot 3, Block 5, Central Addition to Hibbing

Sr. Executive Assistant Candie Seppala stated that at the Working Session of May 31st, 2022, it was discussed to subordinate the original loan for Lietz Properties, LLC. HEDA subordinates the loans when they refinance.

Member Hoffman Saccoman, supported by Vice President Cannata, moved to subordinate Lietz Properties, LLC

Lot 1, Block 5, Central Addition to Hibbing
Lot 2, Block 5, Central Addition to Hibbing
Lot 3, Block 5, Central Addition to Hibbing

Motion CARRIED

2) Authorize the loan of Scranton Iron in the amount of \$318,000 at 3% interest and amortized 10 years

Sr. Executive Assistant Candie Seppala stated that at the Working Session of May 31st, 2022 and because the staff wants to keep consistent with the businesses they will look at current interest rates and use them accordingly. With this loan, it was discussed to put the interest rate at 3% and amortize it for 10 years. This will be subject to financials from the business and what they will be using for collateral.

President Majkich Brock did meet with Mr. Bougalis and was impressed with it and the haul road.

Vice President, supported by Member Jurenes, moved to authorize the loan of Scranton Iron in the amount of \$318,000 at 3% interest and amortized 10 years.

Motion CARRIED (Member Kivela abstained)

3) Approve the loan of Eagle Eye Properteis in the amount of \$100,000 at 3% and amortized 10 years

Sr. Executive Assistant Candie Seppala stated that at the Working Session of May 31st, 2022 it was discussed to offer a loan to Bruce Eichorn Eagle Eye Properties for condo homes on the property he owns. With the huge housing shortage this will help our community. Mr. Eichorn has put up 3 condos on the same property. He wants to get the rest of the condos framed on his property.