



**CITY OF SCOTTSBLUFF
Scottsbluff City Hall Council Chambers
2525 Circle Drive, Scottsbluff, NE 69361
LB 840 Application Review Committee**

**Regular Meeting
July 8, 2021
1:30 PM**

1. **Roll Call**
2. **For public information, a copy of the Nebraska Open Meetings Act is posted in the back of the room on the south wall.**
3. **Notice of changes in the agenda by the city manager** (Additions may not be made to this agenda less than 24 hours before the beginning of the meeting unless added under Item 4 of this agenda.)
4. **Citizens with business not scheduled on the agenda** (As required by state law, no matter may be considered under this item unless the committee determines that the matter requires emergency action.)
5. **Approval of Minutes**
 - a) Approval of minutes for meeting of May 20, 2021.
6. **Consideration of Applications for Economic Development Assistance**
 - a) Receive Information and Consider Approval of Quick Care Application.
7. **Closed Session (to consider any of the above matters, where an Executive Session is appropriate).**
 - a) Following passage of motion to enter into executive session, presiding officer must state purpose of executive session.
8. **Adjournment.**

City of Scottsbluff, Nebraska
Thursday, July 8, 2021
Regular Meeting

Item 1

Approval of minutes for meeting of May 20, 2021.

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF
ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE
May 20, 2021

A meeting of the Economic Development Application Review Committee was held on May 20, 2021 at 2:30 p.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were committee members Nate Merrigan, Jim Trumbull, and Marla Marks. Also present were Starr Lehl, Economic Development Director, Dustin Rief, City Manager, and Adam Hoelsing, Deputy City Attorney.

The meeting was called to order by Chairman Merrigan at 2:34 p.m.

It was moved by member Marks and seconded member Trumbull to approve the Minutes of the December 18, 2020 Application Review Committee Meeting. Voting yes: Trumbull, Marks and Merrigan. Voting no: None.

The next item on the agenda was consideration of an application from Prime Metal Products Inc. Prime Meal Products Inc. had previously received assistance from the Economic Development Program for a sheet metal and HVAC fabrication facility located in Gering, Nebraska. That previous application had been funded in the amount of \$1,500,000.00. Since funding, the Applicant had began business in Gering, Nebraska, and has exceeded job growth expectation since beginning.

The Applicant is returning to the Committee with this Application, requesting additional assistance in funding for an additional location of the Applicant located in Scottsbluff, Nebraska. The additional location would create 20 new jobs, those jobs being jobs that would be performed by the Applicant's employees for services that are currently being provided by a service provider in California. Those services namely being design and drafting of HVAC systems as well as sales and marketing of wholesale HVAC fabrication. Additionally, two or three jobs from the current fabrication location in Gering, Nebraska would be relocated to the Scottsbluff, Nebraska facility, as they are administrative positions better suited for the Scottsbluff facility of the Applicant.

Herb Gibson presented on behalf of the Applicant. Mr. Gibson stated that he was seeking funding to purchase the Scottsbluff real estate for approximately \$875,000, and would need additional funding to install capital improvements into that real estate. Funding was also needed for software/ hardware purchases for the services to be performed by the additional location. The Applicant presented an ability to secure additional funding from Platte Valley Bank for \$1,000,000, as well as other seller-finance funding for the real estate purchase from the real estate owner. The Applicant stated that any additional jobs created which would qualify for a grant from the Economic Development Program would lessen the need to borrow funds for the expansion or would free the use of other capital of the Applicant for expansion. Mr. Gibson stated that the expansion of the services for the Applicant would fuel the growth of the current fabrication factory, primarily through the advancement of drafting and sales for the company. Fueling that growth would mean that growth of the Applicant on the first assistance would

exceed the projections stated to the Committee on the first initial application, and that growth would occur rapidly due to the opportunity to seize market share in the near future. The Applicant stated that it may take up to five years to hire all additional 20 positions for the Applicant in the Scottsbluff location, but Mr. Gibson did state that the previous projections of 70 employees at the fabrication facility in Gering, Nebraska would remain the same, meaning that the 20 jobs under this Application were to be new jobs and would not duplicate any previous jobs for which the City has provided assistance from the Economic Development Program.

Following Mr. Gibson's presentation, Mr. Gibson left the meeting and the Committee discussed the current fund balance of the Program, the available expenditure of the Program during the current fiscal year, the anticipated obligations of the Program, and any concerns or strengths of the Application. The following discussion, was moved by member Trumbull and seconded by member Marks: that the Committee recommend for approval grant assistance to the Applicant in the total amount of \$750,000.00, with details as follows: assistance was conditional upon receiving up-to-date and current personal financial statements of Herb Gibson, Joel Burkeman, and Mike Meyers; assistance was also conditional upon the Applicant securing additional funding from Platte Valley Bank in the amount of \$1,000,000 and seller-financing for the purchase of the real estate for the Scottsbluff location; of the total \$750,000.00 assistance, \$500,000.00 would be made available as soon as the Agreement could be entered into, the conditions met, and the Assistance closed, and the remaining \$250,000.00 would be made available upon request of the Applicant after January 1, 2023; the Applicant would provide the City with a second priority lien on the real estate for the Scottsbluff location, second to the lien protecting the seller-financed transaction, and all other current liens and security interest from the first application will remain in place on behalf of the City; performance and repayment of the Assistance would be guaranteed by the owners of the Applicant; and the term of the assistance for repayment purposes would begin January 1, 2022.

Voting yes: Trumbull, Marks and Merrigan. Voting no: None.

Following that discussion on the Application, the Committee Meeting was adjourned at 3:30 p.m.

Starr Lehl, Economic Development Director

City of Scottsbluff, Nebraska

Thursday, July 8, 2021

Regular Meeting

Item 1

Receive Information and Consider Approval of Quick Care Application.

Staff Contact: Starr Lehl

City of Scottsbluff
Economic Development Grant Application

1. Applicant Information:

Business Name: Quick Care Medical Services

Address: 3210 Avenue B, Scottsbluff, Nebraska 69361

Applicant Contact: Brandon C W Brown, Brittany McDonald, Kevin Harriger

Business Phone: 308-630-0800

Email Address: bbrown_11@hotmail.com, bmcDonald@quickcaremedical.net,
kharriger@quickcaremedical.net

2. Business Information

Structure of Business: Partnership

Ownership Breakdown: Brandon C W Brown MD 55%, Brittany McDonald APRN 30%, Kevin Harriger APRN 15%

General Description of Business: Quick Care Medical Services is an immediate walk-in medical clinic that has served the Nebraska Panhandle, Eastern Wyoming, and Northern Colorado for over twenty years. The business is centered around quick, efficient, affordable same day medical care for a wide variety of medical complaints. On average, the clinic sees between 50-70 patients each day.

Products / Services: Ailments treated include, but are not limited to: employment drug screens, employment physicals, occupational injuries for various organizations throughout the community, Department of Transportation physicals, viral illnesses (including COVID-19), bacterial illnesses, laceration repairs, fracture diagnosis and treatment, insurance physicals, sport physicals, vaccine administration (including COVID-19) and routine chronic illness prevention and treatment.

Number of Years in Business: We will be utilizing the economic development money for the purchase of the existing business that has been in place in the community for over twenty years.

Proposed Location Address: 3210 Avenue B, Scottsbluff, Nebraska 69361

Current Zoning Classification: Believed to be Commercial

3. Employment:

Base (current) number of full-time positions: 14

Full-time positions to be created: 2-6 depending on business fluctuations post COVID

Salary / Wage Range: \$13 / hour - \$28 / hour

Benefits Provided to Employees: Includes Health Insurance (employee contribution required), Dental Insurance (employee contribution required), 401K (employee contribution required), and paid time off.

4. Financial Need:

Total Project Cost Estimate: \$530,000

Breakdown of Use of Funds: \$150,000 of the purchase of Quick Care is in the form of a Small Business Administration Disaster Loan that the partners (Brown, McDonald, and Harriger) will assume as part of the purchase agreement. \$380,000 will be utilized to purchase Quick Care Medical Services including all assets (with the exception of the building). This includes all licensing, supplies, furniture, electronics, software, medical equipment, and general office equipment and any minor upgrades that need to be made to the previously listed items.

Date Funds are Needed: As soon as available.

Investment to be made by Applicants: Brandon C W Brown MD 55%: The remainder of the investment above and beyond the grant amount that is approved will be made in the form of owner financing through the current owner of Quick Care Medical Services. This purchase method allows for Quick Care to remain open throughout the transitioning of ownership, so that licenses can remain in place for Medicaid, Medicare, commercial and private insurances for the business until new licenses for new ownership are approved. This will avoid interruption in services to the community as new licensing establishment could take up to six months to obtain.

Brittany McDonald APRN 30%: The remainder of the investment above and beyond the grant amount that is approved will be made in the form of a loan ideally through the City of Scottsbluff loan program (if approved and available) or another financial institution of Mrs. McDonald's choice.

Kevin Harriger APRN 15%: The remainder of the investment above and beyond the grant amount that is approved will be made in the form of a loan ideally through the City of Scottsbluff loan program (if approved and available) or another financial institution of Mr. Harriger's choice.

Loans to be obtained:

Dr. Brandon Brown will obtain owner financing between the current owner of Quick Care Medical Services and Brandon C W Brown for up to \$63,000. This purchase method allows for Quick Care to remain open throughout the transitioning of ownership, so that licenses can remain in place for Medicaid, Medicare, commercial and private insurances for the business until new licenses for new ownership are approved.

Mrs. McDonald will obtain a personal loan through Platte Valley Bank, with a maximum lending amount of \$35,000.

Mr. Harriger will obtain a loan through Platte Valley Bank of up to \$18,000.

LB840 financial assistance amount requested for the Project: \$265,000

Other Loans / Grants: None.

5. Security Available:

Guarantors: Brandon C W Brown MD, Brittany McDonald APRN, Kevin Harriger APRN

Real Estate: None

Personal Property: None

Stock / LLC Interests: None

6. Eligibility:

B. Research and Development. Quick Care is currently assisting with COVID-19 Research and Development through the supply and reporting of testing for COVID-19 as well as supplying and reporting at our location for vaccination against the illness.

Additionally, Quick Care assists in the development of the City of Scottsbluff by providing a consistent, efficient, and timely treatment location for many ailments of citizens throughout the community. Quick Care is also assisting in getting community members back to work through occupational health administration, employed for the first time with local businesses through physicals and drug and alcohol testing, insuring in the community by assisting with insurance physicals, maintaining healthy community schools for the development of productive future citizens through sick visits, vaccinations, and physicals, and helping maintain productivity and health throughout the city by helping treat illnesses in the community and helping ill patrons to return to their previous employment.

Statement of how project is consistent with the goals of the Scottsbluff Economic Development Program:

The purchase of Quick Care Medical Services by this partnership is integral to the Economic Development of Scottsbluff given its reputation and impact on the community. This is evident by the number of patrons that travel into Scottsbluff for services from the surrounding communities of Kimball, Alliance, Mitchell, Morrill, Dalton, and Gering. Many patients come from surrounding cities/states as well. These include but are not limited to Torrington, LaGrange, Lingle, and Lusk, Wyoming. Colorado communities commonly seen in clinic include but are not limited to Sterling and Fort Morgan. Additionally, without the assistance of the Scottsbluff Economic Development Program for purchase by this partnership, Quick Care will only have two options due to current ownership needing to sell. Quick Care would likely either close and place a significant burden upon other health care entities in the Scottsbluff area or Quick Care would be bought by a National Corporation and this could ultimately result in all current local employees losing their jobs and a significant change in the amount of income that remains in the City of Scottsbluff to be invested in other businesses in the community.

Additionally, we believe that the purchase of Quick Care is consistent with the goals of the Economic Development Program with regards to retention of jobs in the City of Scottsbluff.

Quick Care is a vital source of health care for not only the City of Scottsbluff, but also the Panhandle of Nebraska as well as Eastern Wyoming and Northern Colorado. Quick Care provides a public service that assists in removal of an undue burden on the Emergency Room at Regional West Medical Center. Additionally, Quick Care remained open throughout the COVID-19 Pandemic to provide medical services essential to maintaining public health throughout the City of Scottsbluff and the Panhandle of Nebraska and Eastern Wyoming. This public health service was made possible by the employment and retention of local employees and not a large corporate endeavor. Maintaining that local employee and local ownership dynamic is vital to the success of not only public health in the City of Scottsbluff and the Nebraska Panhandle, but also to the success and maintenance of employees with other businesses throughout the area that work daily with our occupational health division.

Under new ownership, Quick Care would also be able to reinvest in the community by supporting and sponsoring other businesses. This includes but is not limited to sponsoring the Pioneer Baseball team, WNCC athletics, and Adopt-a-school.

Lastly, we provide Department of Transportation physicals and evaluations that directly impact the City of Scottsbluff through the certification of local patrons that are involved in industry throughout the community including but not limited to Paul Reed Construction, Western Sugar, Aulick, Klein Trucking, and Scottsbluff/ Gering Public Schools.

Describe any pending legal action(s), to include the amount at risk and a summary of how ownership is reacting to the action(s): None

7. Additional Information to be submitted:

Resumes of Owners, Management, & Key Employees: See Attached

Brief History of Your Business and Where you See Your Business Going in the Next 5 years, with emphasis on the impact to the City of Scottsbluff.

Quick Care has been in the community for the past 20+ years and has served as a one stop location for many medical ailments throughout the community as described above. In the next five years as new owners, we plan to be able to take Quick Care to the next level. Our vision and goal will be to begin to host and discuss with other businesses throughout the Scottsbluff area as well as the rest of the Panhandle how we can serve their occupational health needs. Our goal will be to increase our occupational health impact and reach throughout the community to supply services for as many local businesses as possible. All the while, maintaining our foundation of treating the local population for their personal health ailments and helping to alleviate the burden on the emergency room so that proper emergency treatment can be more readily accessible in a timely manner in the Regional West Medical Center system. With the expansion of our occupational health reach, we anticipate also being able to employ some additional members of the community and as such enhance the community employment opportunities and help to maintain financial traffic locally. With the expansions in our services, we look to increase our hours by staying open later on Saturday's and opening the clinic on Sunday's. These potential new hours will also allow us to employ more local residents.

Personal Financial Statement of Guarantors and anyone owning 25% or more of the business.

Please see attached personal financial statements.

Income Statement- Please see Attached Tax Documents.

Business Plan: The business plan is to transfer ownership of the current Quick Care Medical Group from the current ownership to the current medical providers of Quick Care Medical Group. The business plan and model will not change initially with regard to any business operations. The original business plan and current business strategy will remain in place. The only exception to this would be with regard to enhancement of the Occupational Health strategies as outlined above.

All of the project funds will go toward the complete purchase of Quick Care including all licensing, supplies, furniture, electronics, software, medical equipment, and general office equipment.

We currently have no lender or investment commitments beyond those discussed above because we were awaiting the amount of grant approval to determine the amount of loan that will need to be requested. Both Brittany McDonald and Kevin Harriger were interested in acquiring their portion remaining through the City of Scottsbluff program. Brandon C W Brown MD will be owner financed. The investment above and beyond the grant amount that is approved to Brandon C W Brown MD will be made in the form of owner financing through the current owner of Quick Care Medical Services. This purchase method allows for Quick Care to remain open throughout the transitioning of ownership, so that licenses can remain in place for Medicaid, Medicare, commercial and private insurances for the business until new licenses for new ownership are approved. This will avoid interruption in services to the community as new licensing establishment could take up to six months to obtain.

Financial Projections for the next three years are very difficult to predict given the situation with COVID-19. However, with the Gross Receipts typically between \$1.5 million and \$1.8 million we would anticipate having a net income over the next five years varying between \$20,000 and \$50,000. Over the next five years we would anticipate this net income to increase given our plan for expansion of our occupational health clientele as well as the decrease in overall COVID restrictions and a return to normalcy with regard to business patronage.

Employment projections for the next five years appear to be stable to increasing. We are currently in need of a new clinic bill posting clerk, a clinic nurse, as well as two receptionists. We anticipate that with the expansion of the occupational health clientele we will not only have to make these hires over the next three years, but may also have to add additional employees on top of those currently needed to include another nurse, provider, and receptionist.

The jobs to be added would then include over the next five years in a best-case scenario to include a new bill posting clerk, two nurses, three receptionists, and one provider. The average wages for these positions range from \$12 / hour to \$25 / hour and a provider salary around \$80,000 - \$90,000 / year. All positions would be full time and would include availability of our currently offered benefits including health, dental, paid time off, and 401K.

Suppliers are scattered throughout the United States with McKesson, Bluffs Sanitary Supply, Ideal Linen, Moneywise, Regional West Medical Center, LabCorp, Quest, AirGas, Medtox, Alere, and Wal-Mart. Local Suppliers to Scottsbluff include Bluffs Sanitary Supply, Ideal Linen, Moneywise, and Regional West Medical Center.

References- None needed per discussion with Economic Development Personnel, but can be made available upon request.

There is no pending litigation against any partnership entity involved in this transaction to our current knowledge.

There are no violations with regard to law enforcement beyond minor traffic offenses with regard to any partnership entity involved in this transaction to our knowledge.

8. Nebraska Advantage Act.

The Applicants have not filed and do not intend to file at this time an application with the Nebraska Department of Revenue to receive tax incentives under the Nebraska Advantage Act with respect to this project.

We certify that the information presented in connection with this application for Economic Development Assistance is true and correct. Consent is given to the City of Scottsbluff to contact references (once provided), conduct one or more credit checks (after discussion with applicants and explanation of credit evaluation), criminal background checks, and to verify the information contained within this application.

Brandon C W Brown MD

Brittany McDonald APRN

Kevin Harriger APRN

06/17/21

City of Scottsbluff, Nebraska

Thursday, July 8, 2021

Regular Meeting

Item 1

**Following passage of motion to enter into executive session,
presiding officer must state purpose of executive session.**

Staff Contact: