



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

**Regular Meeting
August 17, 2021
2:00 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) for meeting of July 28, 2021
6. **Consideration of Applications for Economic Development Assistance**
 - a) Receive Additional 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
Tuesday, August 17, 2021
Regular Meeting

Item 1

for meeting of July 28, 2021

Staff Contact: Starr Lehl

CITY OF SCOTTSBLUFF
ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE
July 28, 2021

A meeting of the Economic Development Application Review Committee was held July 28, 2021 at 2:00 p.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were committee members Marla Marks, Hod Kosman, Nate Merrigan, and Dennis Hadden. 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 2:00 p.m.

It was moved by member Marks and seconded member Kosman to approve the Minutes of the July 8, 2021 Application Review Committee Meeting. Voting yes: Marks, Kosman, Merrigan, and Hadden. Voting no: None.

The next item on the agenda was consideration of request from McKiney Manufacturing, Inc. to restructure the terms of their loan and assistance while the business recovers from the loss of the oil and gas industry. Present on behalf of McKiney were Roger McKiney and Julie McKiney.

The McKineys requested that the committee consider recommending a change in terms of the loan from the Program to address the business difficulties for McKiney Manufacturing, Inc. Roger McKiney stated that the business is down in revenue an amount of \$500,000 year-to-date. The business's largest customer was related to the oil and gas industry, which has taken a significant downturn and activity and production. McKiney Manufacturing is in the process of retrofitting its operation to identify and solicit other industries with wholesale part supply needs, such as foam component manufacturing, exhaust system manufacturing, and existing manufacturing business in the regional radius of McKiney Manufacturing. New machines, contracts, and customer relations for those businesses, however, will take about 18 months to develop and implement.

Members of the committee noted that McKiney Manufacturing, Inc. was doing a lot to "right the ship" and expand into new business relations. The committee commented that it take time to shift focus of the business, and the committee understood that McKiney Manufacturing appeared to be taking steps modify its business as needed.

Following discussion, it was moved by Member Marks and seconded by Member Kosman to amend the terms of the assistance as follows: the last payment received by McKiney Manufacturing was on May 1, 2021. The committee recommended extending payments due from June 1, 2021 through July 1, 2022, providing McKiney Manufacturing and 14-month extension to August of 2022. The first payment following extension would be due August 1, 2022, and interest would continue to accrue during the extension period. Fourteen payments would be added to the back-end of the repayment schedule, and payment amounts would be

adjusted accordingly. During the extension period, job credited applicable towards the assistance would continue to be made applicable under the current terms of the assistance.

Voting yes: Marks, Kosman, Merrigan, and Hadden. Voting no: None.

The committee then received a proposed change to the Program Plan to allow retail as a qualifying business with employees under 20. Present to speak on behalf other change were City Councilmembers Jordan Colwell and Angela Scanlan Councilmembers Colwell and Scanlan, and Economic Development Director Lehl and City Manager Rief all advocated for consideration of an expanded retail component for the Plan. The committee was informed that it does not vote on the change, but that the committee's support going forward as well as its consideration of how to implement the change would be helpful. Generally, the committee was in favor of pursuing the expanded addition of retail to the Plan, as proposed for businesses under 20 employees. The committee supported moving forward with the Citizen Advisory Review Committee and the City Council for proposition and possible adoption of the change to the Plan.

The Applicants stated that as part of the purchase, they would be assuming a \$150,000 loan currently with the SBA that was provided by the SBA as part of the pandemic economic stimulus. The loan had a very low interest rate, and included a very favorable amortization schedule with a low payment per month. Outside of that, the Applicants were seeking to buy the assets of the business from the current owner, which would include an X-Ray machine, chair, exam tables, computer, and general office equipment.

Following that discussion and direction, the Meeting was adjourned at 2:51 p.m.

Starr Lehl, Economic Development Director

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Receive Additional Information and Consider Approval of Quick Care Application.

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