

October 4, 2016

Seward Economic Development Program - LB 840 Application Review Board
October 4, 2016 - 5:30 p.m.
Municipal Building - Council Chambers, 142 North 7th Street, Seward, Nebraska

The meeting was called to order at 5:30 p.m., with the following members present: Ellen Beck, Patricia Johnson, Patricia Coldiron, Jeremy Tonniges, Karl Miller; Absent: Jessica Kolterman, John Owens, Ann Underwood. Also in attendance were: Mayor Joshua Eickmeier, City Administrator Bruce Smith, Seward County Chamber & Development Partnership Director Jonathan Jank, Tamara and Aaron Kenning, Roger Grunke and Deputy Clerk/Finance Director/Assistant Treasurer Marilyn D. Varner recording minutes.

1. MINUTES - May 5, 2016

Moved by Johnson, seconded by Coldiron, that the May 5, 2016 minutes be approved.

Aye: Coldiron, Tonniges, Beck, Miller, Johnson
Nay: None
Absent: Kolterman, Owens, Underwood. Motion carried.

2. FINANCIAL REPORTS

Moved by Miller, seconded by Tonniges, to approve the financial reports from August 31, 2016.

Aye: Johnson, Coldiron, Tonniges, Beck, Miller
Nay: None
Absent: Kolterman, Owens, Underwood. Motion carried.

3. LOAN/GRANT APPLICATION - TURNING POINT BEHAVIORAL HEALTH & ADDICTION COUNSELING, 122 SOUTH 4TH STREET

A grant application was received from Turning Point Behavioral Health & Addiction Counseling, 122 South 4th Street, owned by Tamara and Aaron Kenning, requesting a loan of \$21,142.00 and a grant of \$20,000.00. This business provides counseling services for mental, behavioral health and addiction.

Ms. Kenning explained that she is a licensed mental health and alcohol addiction practitioner. The building at 122 South 4th Street was built in 1979 and was recently purchased by the Kennings. They are in the process of renovating the building (six therapy offices, with a conference room) to provide Seward a place for counseling services for individuals, families, outpatients, adolescents, etc. She emphasized the need for local services for the Seward area. At present, individuals needing this type of service must travel to York, Lincoln, or farther. Health and Human Services has recently initiated probation contracts, increasing the need for local services.

Coldiron expressed the need for services in Seward County. Ms. Kenning explained that Blue Valley Mental health has been a provider for out-patient therapy, but a need exists for counseling services for domestic violence and anger management, new group therapy, etc. As of September 1, 2016, some jail prisoners were assigned a navigator and will have to document therapy, creating the need for new areas of counseling services.

Ms. Kenning explained that she has been in business two years, and now has one part-time therapist, with the intention of adding more therapists as time goes on.

Ms. Kenning was asked if she was affiliated with Memorial Health Care, to which she responded that, at present, she is not, but this is an area to market, along with Nebraska Medicine to develop possible cancer support groups. The support groups would be provided free of charge to the

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community.

The questions was asked that if no dollars are provided by this Board, would the renovation project still proceed? Ms. Kenning explained that the project would continue.

Originally, a tax increment financing application was also considered, but was not processed due to the small amount of tax increase produced by the renovation of the building.

Jonathan Jank expressed that he has worked with the Kennings for use of the vacant building on South 4th Street to grow the local economy. This business would create additional jobs for the future. He also explained that this renovation is an appropriate use for LB 840 funding.

Some discussion was held regarding grant requests from LB 840 funds, to which an explanation was provided that with the issuance of loans (rather than grants), more funds would be returning to the City for future economic development projects. The Board, in the past, had approved some grants, but generally, felt that loans might be better for the program. Coldiron felt that some grants might be good, since starting a business requires a lot of capital outlay, and every amount of financial assistance helps to get the business operating.

Mayor Eickmeier explained that when applicants request only grants (as opposed to loans), funds can be dispersed quite rapidly if approved by the Board. He felt that a good balance should exist regarding the use of economic development funds. Just recently, a local daycare requested only a grant, and a loan was offered, but was not accepted.

Restrictions on types of businesses for LB 840 funding were discussed. Mayor Eickmeier explained that Seward's application was drafted very broadly for flexibility. As expressed in the past, a "too specific" policy tends to limit the use of economic development funding.

Ms. Kenning explained that she did not expect something for nothing, but felt that she could provide needed services for the surrounding area.

Roger Grunke felt that if no grant was approved, the community is missing out on the opportunity for much-needed services. The community expects young persons to come back to Seward to keep the area growing, and funding assistance is one of the ways to accomplish this goal.

Moved by Coldiron, seconded by Johnson, that a \$10,000.00 grant and a ten-year loan in the amount of \$25,000.00 at half of prime interest rate (one-half of current 3.50 annual percent = 1.75 annual percent interest) be approved for turning Point Behavioral Health & Addiction Counseling, 122 South 4th Street (Tamara and Aaron Kenning, owners).

Aye: Tonniges, Beck, Miller, Johnson, Coldiron

Nay: None

Absent: Kolterman, Owens, Underwood. Motion carried.

Ms. Kenning expressed her appreciation to the Board for the grant and loan.

4. MOTION TO ADJOURN

The meeting was adjourned at 6:20 p.m. in a motion by Johnson, seconded by Coldiron. All members present voted aye.