

Economic Development Commission
Tuesday, March 10, 2020
Red Bud City Hall
Council Chambers (2nd floor)

Members Present: Clem Esker, Butch Stellhorn, Stuart Langrehr, Mike Reed, Rodney Nevois, Greg Birchler, Dan Koenigstein, Jon Tallman

Members Absent: Warren Frank, Shane Watson

Others Present: Mayor Lowry, Susan Harbaugh, Mike Rheinecker, Kyle Donjon, David Friess, Bill Hanebutt, Pam Poetker, Jeff Mueller

1. Call to Order

Chairman Clem Esker called the meeting to order at 5:00 p.m. and commented that Mayor Lowry would be chairing the meeting due to his inability to see clearly due to a recent health issue.

2. Financial Reports

Microloan Program has approximately \$70,000 available for loans. KRPD is the only loan currently under the program and they are current in their payments.

After making the December 2020 payment for the acquisition of the East Industrial Park Property, it is estimated that we will have a balance of approximately \$67,000.00
Payments for the EIP acquisition due in December, 2020 total \$231,240.80

3. Enterprise Zone – Map Update

Jeff Mueller has updated the map to revise the parcels to be included in the Enterprise Zone. Additional information will be reported as it becomes available.

4. TIF Proposal

A proposal from Moran Economic Development was included in the meeting packet. It is a proposal to conduct a feasibility study on the newly acquired property intended to expand the East Industrial Park. There were many questions regarding the study, whether or not proceeding with a TIF will make the City more viable, and what properties would be included in it. Other concerns included if there would be agreements with the taxing bodies, what the qualifying factors are for a TIF, and if one TIF would lead to additional TIF districts. Clem Esker added that the taxes are currently on vacant farm ground so there isn't much money being collected at this time. There was also some discussion about TIF districts that have not been successful and some voiced concerns that it could happen in Red Bud.

Motion made by Mike Reed, seconded by Dan Koenigstein to approve the agreement with Moran Economic Development for a TIF Feasibility Study to be conducted not to exceed \$6,600.00. Motion carried.

5. Industrial Park Signs

No action taken at this time as more information needs to be collected. More information will be available at the next meeting.

6. **Micro-Loan Program Application – Matt Mollet / De Vino’s Winery**
Matt Mollet presented his business plan to the commission and gave an overview of his plans to reestablish the winery which will now be known as De Vino’s. He has plan to manufacture up to ten wines and will be purchasing the fruit for production. He currently sells fruit in bulk and will continue to do that as a source of revenue while operating the winery. He also added that being a wholesaler allows him the contacts needed to purchase the fruit for production of his own wines to be sold at the winery. The building is currently undergoing some remodeling but he hopes that he will be operational by summer. The funds requested through the Micro-Loan Program will go toward the purchase of equipment, furniture, supplies, and working capital. He concluded his presentation by stating that he is very excited to be back in business.

Motion made by Clem Esker, seconded by Jon Tallman to approve a loan to Matt Mollet at De Vino’s Winery from the Micro-Loan Program in the amount of \$30,000 amortized over five years at 3% interest. Payments will be due the 20th of each month. Agreement will require equipment and furniture as collateral, personal guarantees, and a life insurance assignment to the extent that monies are owed to the city. Motion carried.

7. **Anything for the Good of the Order**
None
8. **Public Comments**
None
9. **Adjournment**
Meeting was adjourned at 6:14 P.M.

Respectfully Submitted,

Pam Poetker, Administrative Assistant
Red Bud, Illinois