

NENEDD Board Agenda

Object: Consideration of approval of the October 30, 2024, agenda and the September 25, 2024, meeting minutes

Contact Person: Mary Fleer, Administrative Assistant

For: Action

Explanation: The October 30, 2024, agenda has been posted on the website and the September 25, 2024, meeting minutes have been posted on the website.

Motion: Consideration for approval of the October 30, 2024, meeting agenda and the September 25, 2024, board meeting minutes.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhler _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttman _____

Y (In Favor of Motion) **N** (Against Motion) **ABS** (Abstain) **A** (Absent)

IV. Secretary's Report

NENEDD Board Agenda

Object: Approve a \$35,000 loan to 3rd & Bell Custom Woodcraft, LLC in Plainview

Contact Person: Jeff Christensen, NENEDD Business Loan Specialist

For: Action

Background:

The two members of 3rd & Bell Custom Woodcraft, LLC (3Bell) are planning the expansion to a new facility located at 409 W. Locust in Plainview. 3Bell is a wood products manufacturer and retailer specializing in custom made rustic and farmhouse inspired home decor and furniture. Products range from custom built benches, tables, and other furniture to unique framed prints, wall hangings, and other home and office decor. 3Bell also offers farm and ranch photography and in-home handyman services.

3Bell was established in 2020 as an online Etsy store. The production facility is currently located at the members' residence in Plainview. The company plans to open a new production and retail space in their building at 409 W Locust in the coming year after the completion of the renovation. 3Bell plans to expand their product lines with the opening of the full-service retail location.

The restoration will cover all aspects of the building including repairs to the roof and brick facade; replacement of storefront windows, doors and signage; complete replacement of all electrical and plumbing utilities; and interior renovations including flooring and custom lighting. Other than the installing of electrical and HVAC, the majority of the demo and finish work will be done by the members.

3Bell has three primary product and service lines all focused on "*Celebrating home in all we do.*" The majority of 3Bell products are available year-round, with a rotating variety of seasonal home decor items offered throughout the year. Handyman and custom photography services are available year-round, with outdoor projects dependent upon weather conditions.

The total project costs are \$110,000. This is \$10,000 for the building purchase, \$90,000 for renovation, and \$10,000 contingency. There is no bank involved in this project. The members are requesting that NENEDD provide a loan in the amount of \$35,000 for the project. The City of Plainview has approved \$45,000 of USDA IRP and LB840 funds for this project. The members will inject \$20,000 cash and at least \$10,000 sweat equity. The project will retain two jobs including the two members.

Explanation:

Sources →	NENEDD	Plainview LB840	Equity	Total
Uses ↓				
Building Purchase	-0-	-0-	\$10,000	\$10,000
Renovation	\$35,000	\$45,000	\$10,000	\$90,000
Contingency	-0-	-0-	\$10,000	\$10,000
TOTAL	\$35,000	\$45,000	\$30,000	\$110,000

There is no bank involved in this project. NENEDD will lend \$35,000 to 3rd & Bell Custom Woodcraft, LLC for renovation to a new location in Plainview. This loan will have a term of 15 years at an interest rate of 6.00% (fixed). NENEDD will have a first lien position on the business real estate and business personal property. NENEDD will request an assignment of life insurance from one member for the amount of the loan for the life of the loan and obtain personal guaranty from both members. NENEDD will also file a deed of trust on the members' personal residence in Plainview.

The City of Plainview will provide USDA IRP and LB840 funds totaling \$45,000 on a 20-year term at 4.00%. These loans will be subordinate to NENEDD's loan.

The Northeast Revolving Loan Fund (RLF) committee was presented information on credit scores, net worth, collateral, and financial information as part of the loan summary and recommends this loan for approval.

Motion: Consideration for approval of a \$35,000 loan to 3rd & Bell Custom Woodcraft, LLC in Plainview.

Charlie Bahr _____ Sally Ganem _____ Tina Biteghe Bi Ndong _____ Troy Uhler _____
Blake Denton _____ Meghann Buresh _____ Justin Webb _____ Benjamin Benton _____ Doug Huttman _____

Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)

VII. Action Items A

NENEDD Board Agenda

Object: Approve a \$50,000 loan to Grammy’s Kitchen in Neligh.

Contact Person: Jeff Christensen, NENEDD Business Loan Specialist

For: Action

Background:

The owners of Grammy’s Kitchen are planning the purchase of an existing restaurant (Burrito Loco City Café) located at 312 Main St. in the heart of the business district in Neligh. The existing restaurant is now a Mexican restaurant, but Grammy’s will be a sit-down full-service restaurant serving a variety of American style home cooked meals, including breakfast, daily lunch specials, burgers, salads, soups and desserts. Hours of operation will be 7am – 3pm Tuesday thru Sunday. The dining room will seat approximately 50 people in the front area of the building as you walk in the front door with the kitchen in the back.

The owners will do some minor renovation such as painting, installing a new back door, purchasing a new sign, and putting up a new carport at the back door. The purchase of the building includes all furniture, fixtures, and equipment in the business now. They will also purchase a few new items such as a salad bar, soft serve ice cream machine, steam tables/pans, and plates, silverware, cups, bowls etc.

The total project costs are \$150,000 which includes \$130,000 for the purchase of the real estate and all furniture, and fixtures, and equipment (FFE), \$7,000 for renovation, \$3,000 for add’l FFE, and \$10,000 for inventory/working capital. The owners of Grammy’s Kitchen and Pinnacle Bank in Neligh are requesting that NENEDD provide a loan in the amount of \$50,000 for the project. The Bank has approved a loan of \$80,000. The project will create three jobs including one of the owners.

One owner has 20+ years of experience working in restaurants in O’Neill and Clearwater. She also operated her own restaurant in Clearwater until the owner of the building sold it, at which time she went back to working at the steakhouse in Clearwater until 2018. Since then, she has been the administrative assistant and HR manager for a business in O’Neill. Her husband owns/operates an auto/truck repair business in Clearwater.

Explanation:

Sources →	Bank	NENEDD	Equity	Total
Uses ↓				
Real Estate/Existing equipment	\$80,000	\$50,000	-0-	\$130,000
Renovation	-0-	-0-	\$7,000	\$7,000
New equipment	-0-	-0-	\$3,000	\$3,000
Working Capital/inventory	-0-	-0-	\$10,000	\$10,000
TOTAL	\$80,000	\$50,000	\$20,000	\$150,000

Pinnacle Bank in Neligh has approved a loan of \$80,000 for this project. The loan will be set up as a regular real estate/commercial loan, fully amortized over a 20-year term at an interest rate of 8.50% (fixed for 5 years). In addition to a first deed of trust on the building and equipment at 312 Main St. in Neligh, they will require an SBA Express Loan 50% Guarantee.

NENEDD will lend the owners \$50,000 to start Grammy's Kitchen at 312 Main St. in Neligh. This loan will have a term of 20 years at an interest rate of 6.50% (fixed). NENEDD will have a subordinate deed of trust on the business real estate and UCC filing on all business personal property. NENEDD will also file a Deed of Trust on the owners' personal residence in Clearwater and require an assignment of life insurance from one of the owners for the amount of the loan for the life of the loan.

The Northeast Revolving Loan Fund (RLF) committee was presented information on credit scores, net worth, collateral, and financial information as part of the loan summary and recommends this loan for approval.

Motion: Consideration for approval of a \$50,000 loan to Grammy's Kitchen in Neligh.

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Y (In Favor of Motion) N (Against Motion) ABS (Abstain) A (Absent)