

City of Pittsburg, Kansas
Economic Development Advisory Committee
Official Minutes of the Meeting of August 11, 2010

Members Present: Shane Kannarr, Richard Oler, Brad Hodson, Mark Werner, Chuck Hosman, Bill Coleman, Judy Westhoff, and Blake Benson

Others present: Mark Turnbull, Henry Menghini, Stacie Perry, and Ahmad Enayati.

The Economic Development Advisory Committee met in Regular Session at 10:00 a.m. on Wednesday, August 11, 2010 at Memorial Auditorium in B1. Chairman of the Board Shane Kannarr opened the meeting at 10:05 a.m. with eight (8) members present

The first agenda item was approval of minutes from the July 14, 2010 Economic Development Advisory Committee Meeting. Hodson made the motion to amend the minutes to "Kannarr motioned to enter Executive Session for fifteen minutes *to discuss confidential affairs of a corporation* at 10:31 a.m." and "The EDAC entered Executive Session for fifteen minutes *to discuss confidential affairs of a corporation.*" Hosman seconded. Motion carried.

The second agenda item was PROJECT PITT 2010-226 Ahmad Enayati, owner of Chatter's restaurant, request for a \$25,000 loan to install a kitchen in the east section of the business. This kitchen will be used to serve hot wings to customers. Director of Economic Development Mark Turnbull briefly introduced the project and explained why Blake Benson, Pittsburg Area Chamber of Commerce President, was taking the lead then handed the floor to Benson. Benson explained the project in greater detail and stated he has all financial documents for the committee to view if needed. Ahmad Enayati began with why his business is asking for the loan. He stated business expansions are being funded directly from cash flow. Enayati continued although business has been declining, he has not eliminated staff and payroll has grown. Chatter's currently serves hot wings from their main kitchen. They serve approximately 1500 wings weekly, 1000 of that on Mondays. He projects this is a growth opportunity and with this new kitchen, House of Wings will serve 3000 wings weekly. Committee members asked various questions with regard to project and financials then Enayati gave additional details.

Kannarr asked for a motion to enter Executive Session for fifteen minutes to discuss confidential financial affairs of a corporation. Hosman moved, seconded by Coleman. All carried, motion approved.

The EDAC entered Executive Session for fifteen minutes to discuss confidential affairs of a corporation at 10:33 a.m.

The meeting reconvened into open session at 10:48 a.m. No votes were taken and no decisions were made in executive session.

Hosman made the motion at 10:48 a.m. to return into Executive Session for fifteen minutes to discuss confidential affairs of a corporation. Westhoff seconded. Motion carried.

The EDAC entered Executive Session for fifteen minutes to discuss confidential affairs of a corporation at 10:48 a.m.

The meeting reconvened into open session at 11:03 a.m. No votes were taken and no decisions were made in executive session. Kannarr stated a special meeting will be held at 7:30 a.m., Tuesday, August 17, 2010 at the Chamber of Commerce Conference Room as long as financials are ready for review.

The third agenda item was updates which included the Director's Report given by Turnbull. Turnbull stated the City is mostly receiving wind energy prospects. He stated the largest issue is currently Pittsburg does not have suppliers for this industry. The City is working on this through the Regional Partnership in support of a supply chain for wind energy. Turnbull gave inventory of available buildings. Some committee members asked questions on available buildings and sites.

Turnbull gave the Department of Economic Development 5 year strategic goals and spoke briefly regarding business and growth in Pittsburg. He indicated the Business Retention and Expansion survey and visits are taking place with local businesses, both with manufacturing and service providers. He gave an overview of general city business. There was some general discussion following the Director's Report.

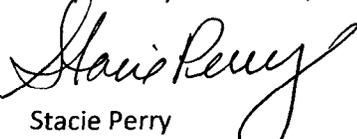
Westhoff reported the Phase II \$200,000 grant balance is \$159,496.90. She stated they continue to receive requests and have 3 anticipated applications. There are 13-15 additional parties interested but have backed off due to the economy.

The final agenda item was items for the committee. Kannarr stated last meeting he had brought the item for the committee to think about guidelines for analyzing applications. He asked if the committee had thought if the EDAC should be a lender of last resort and/or offer incentives. He asked how the committee should use their funds and their thoughts on bankable loans. After some general discussion, Menghini asked Turnbull to email the committee the current guidelines. Some members of the committee suggested investigating a new microloan program. Turnbull stated they need to go through the appropriate steps by first the City Manager and then second the City Commission.

The next meeting will be held on Tuesday, August 17, 2010 at 7:30 a.m.

Being no further business, Oler made the motion to adjourn at 11:35 a.m. Westhoff seconded. Motion carried.

Respectfully Submitted,



Stacie Perry
Administrative Assistant