

BENTON COUNTY ECONOMIC DEVELOPMENT AUTHORITY (EDA)

December 16, 2025, 9:00 AM

Benton County Board Room

531 Dewey Street, Foley, MN

AGENDA

1. Commissioner Edward Popp, Benton County Economic Development Authority Chair
 - Call to Order
 - Roll Call
2. Consent Agenda
 1. Approve or Amend the Economic Development Authority Meeting Minutes of February 4, 2025
3. Amanda Othoudt, Benton Economic Partnership Director
 - Consider a Resolution Approving a First Amendment to the Iron Street Distillery Loan Agreement
4. Adjourn

Benton County Board of Commissioners/Benton County Ditch Authority

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Pursuant to MN Statutes §13D.02 and County Policy, the following County Board members may participate from a remote location:

- Commissioner Scott Johnson, District 1
- Commissioner Ed Popp, District 2
- Commissioner Steve Heinen, District 3
- Commissioner Jared Gapinski, District 4
- Commissioner Pam Benoit, District 5

BENTON COUNTY ECONOMIC DEVELOPMENT AUTHORITY (EDA)
MEETING MINUTES
FEBRUARY 4, 2025

Open the Meeting/Roll Call

Steve Heinen called the meeting to order at 9:19 AM. Members Pam Benoit, Scott Johnson, Steve Heinen and Jared Gapinski were present. Member Ed Popp was absent. Heinen noted Popp's absence excused. Also present was Amanda Othoudt, Executive Director of the Benton Economic Partnership; Montgomery Headley, Benton County Administrator; and Beth Stay, Executive Assistant.

Select a Chair and Vice-Chair

Motion by Johnson and seconded by Benoit to have the Chair and Vice-Chair of the Economic Development Authority (EDA) mirror the County Board Chair and Vice-Chair, making Popp Chair and Heinen Vice-Chair. Motion carried unanimously.

Approve/Amend the Agenda

Motion by Johnson and seconded by Gapinski to approve the agenda as written. Motion carried unanimously.

Approve/Amend the Minutes of June 18, 2024

Motion by Gapinski and seconded by Heinen to approve the meeting minutes of June 18, 2024 as written. Motion carried unanimously.

Consider a Microloan Request for Odam Medical Group, PLLC

Next, Othoudt requested the EDA to consider a Microloan request from Odam Medical Group, PLLC. Odam Medical Group, PLLC is owned 100% by Dr. Robert Odam and has been in business for 8 years. They operate as a family/primary care clinic. Primary services offered include acute care, routine preventative care, chronic disease management, and physical, behavioral and mental health care. The proposed new clinic will be located at 700 Penn Street, Foley, MN. The new construction will be approximately 6,000 square feet and one level. The applicant is requesting a \$140,000 county microloan to construct their new facility. The request from Odam Medical Group represents 4.4% of the total project cost and is under the maximum threshold allowed by policy. The applicant's proposed project is in compliance with local government zoning regulations, and state and federal laws that apply. The applicant will create at least 7 FTE jobs over the next two years averaging \$25 per hour. According to county policy, a financial institution must be involved in the project. The primary lender is Frandsen Bank and Trust. The total project cost is \$3,396,000. Total bank participation in the project totaled \$1,698,000. Owner Equity of \$191,600, a county microloan request of \$140,000 and a loan by the MBFC in the amount of \$1,358,400. The BEP Loan Committee thoroughly reviewed and vetted their loan request on January 10, 2025. The BEP Loan Committee recommends approval of a \$140,000 microloan amortized over 20 years with a 10-year balloon payment with an interest rate of 5.5%. It is proposed that the county would take 3rd collateral position on the real estate secured through a mortgage, and personal guarantees. The Applicant understands the county's policy requires full collateral coverage, personal guarantees, and life insurance policies on the principals for the amount of the loan. Motion by Gapinski and seconded by Johnson to approve a Resolution approving a \$140,000 microloan for Odam Medical Group, PLLC with a 20-year

amortization, 10-Year Balloon Payment, 5.5% interest and authorize the execution of the loan documents by County Administrator and Board Chair. Motion carried unanimously.

Adjourn

Vice-President Heinen adjourned the meeting at 9:29 AM.

ATTEST:

Montgomery Headley
Benton County Administrator

Steve Heinen, Vice-President
Benton County Economic Development Authority

Montgomery Headley, Benton County Administrator, and Steve Heinen, Benton County Economic Development Authority, witnessed the signing of this document.

BENTON COUNTY ECONOMIC DEVELOPMENT AUTHORITY (EDA) AGENDA ITEM REQUEST



MEETING DATE 12/16/2025

REGULAR AGENDA CONSENT AGENDA

REQUESTING DEPARTMENT Benton Economic Partnership, Inc.

TITLE OF REQUESTED ITEM AS IT WILL APPEAR ON BOARD AGENDA

Iron Street Distillery - First Amendment to Loan Agreement

BACKGROUND INFORMATION

On November 8, 2023, in accordance with the Original Agreement, the Economic Development Authority provided a loan to the Borrower in the amount of \$145,000 to assist with financing costs associated with the renovation of an existing building and the purchase of equipment for the Borrower's distillery and cocktail room business located at 539 E. St. Germain Street, St. Cloud. The Original Agreement required that the Loan be secured by a Personal Guaranty of John Martens and Kevin Johnson among other security. Mr. Martens is selling his interest in the business to Kevin Johnson and has requested to be released of all requirements as a Guarantor under the Original Agreement, including but not limited to the requirement to provide a collateral assignment of his life insurance policy. Mr. Johnson's Personal Guaranty and collateral assignments will continue to remain in place as part of the agreement. Other than removing Mr. Martens collateral assignments, no other changes to the Loan Agreement will be made.

ACTION REQUESTED

Approve, by motion, a resolution approving the First Amendment to the Loan Agreement

FISCAL IMPACT

ESTIMATED COST (\$) \$0

SOURCE OF FUNDS _____

NEW / ADDITIONAL REVENUE (\$) _____

COST BUDGETED IN CURRENT YEAR? YES NO

SUBMITTED/APPROVED

SUBMITTER/SUPERVISOR SIGNATURE _____ DATE _____

DEPARTMENT HEAD SIGNATURE _____ DATE _____

COUNTY ATTORNEY SIGNATURE _____ DATE _____

STATE GRANT CONTRACT/AGREEMENT NOT REVIEWED BY COUNTY ATTORNEY (GRANT RENEWAL WITH NO CHANGES IN TERMS AND CONDITIONS).

DURATION _____ PREFERRED PLACEMENT ON AGENDA _____

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT is made as of the ____ day of _____, 2025 (the “First Amendment”), between the BENTON COUNTY ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of the State of Minnesota (the “Authority”), and IRON STREET DISTILLERY, LLC a Minnesota limited liability company (the “Borrower”), and amends the Loan Agreement, dated November 8, 2023 (the “Original Agreement”), between the Authority and the Borrower.

WITNESSETH:

WHEREAS, on November 8, 2023, in accordance with the Original Agreement, the Authority provided a loan to the Borrower in the amount of \$145,000 (the “Loan”) to assist with financing costs associated with the renovation of an existing building and the purchase of equipment for the Borrower’s distillery and cocktail room business at certain real property located at 539 E. St. Germain Street, St. Cloud, MN 56304; and

WHEREAS, the Original Agreement required that the Loan be secured by a Personal Guaranty of John Martens (the “Martens Guaranty”) among other security; and

WHEREAS, John Martens is selling his interest in the Borrower and has requested to be released from providing the Martens Guaranty; and

WHEREAS, the Authority has agreed to release the Martens Guaranty.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to paragraph C of the Recitals. Paragraph C(iii) of the Recitals is deleted in its entirety and the term “Personal Guaranty” shall mean the Personal Guaranty of Kevin Johnson only.

2. Amendment to Section 1(f) of the Original Agreement. The definition of the Guarantor in Section 1(f) of the Original Agreement is hereby deleted and replaced with the following:

(f) Guarantor. The term "Guarantor" means, John Martens and Kevin Johnson and any other party which now or hereafter guarantees the Indebtedness.

3. Requirements of Guarantor. John Martens is hereby released of all requirements as a Guarantor under the Original Agreement, including but not limited to the requirement to provide a collateral assignment of his life insurance policy. The Martens Guaranty is hereby released upon the execution of this First Amendment.

4. Definitions. Any capitalized terms used herein but not otherwise defined shall have the meanings assigned to such terms in the Original Agreement. Any references to the "Agreement" or "this Agreement" in the Original Agreement shall refer to the Original Agreement, as amended and supplemented by this First Amendment, and as may be further amended and supplemented.

5. Confirmation of Original Agreement. Except as specifically amended by this First Amendment, the Original Agreement is hereby ratified and confirmed and remains in full force and effect.

6. Miscellaneous. Except as amended by this First Amendment, the Original Agreement shall remain in full force and effect. Upon execution, the Borrower shall reimburse the Authority for all out-of-pocket costs incurred by the Authority in connection with negotiating, drafting and approval of this First Amendment.

IN WITNESS WHEREOF, the Authority and the Borrower have caused this First Amendment to Loan Agreement to be duly executed by their duly authorized representatives as of the date and year first written above.

**BENTON COUNTY ECONOMIC
DEVELOPMENT AUTHORITY**

By _____
Its President

Attested: _____
Montgomery Headley
County Administrator

Execution page of the Borrower to the First Amendment to Loan Agreement, dated the date and year first written above.

IRON STREET DISTILLERY, LLC

By: _____
Its: _____

RESOLUTION NO. ____

**RESOLUTION APPROVING FIRST AMENDMENT TO LOAN AGREEMENT
(IRON STREET DISTILLERY PROJECT)**

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Benton County Economic Development Authority (the "Authority") as follows:

Section 1. Recitals; Authorization.

(a) The Authority and Iron Street Distillery, LLC, a Minnesota limited liability company (the "Borrower"), entered into a Loan Agreement, dated November 8, 2023 (the "Original Agreement"), pursuant to which the Authority provided a loan to the Borrower in the amount of \$145,000 (the "Loan") to assist with financing costs associated with the renovation of an existing building and the purchase of equipment for the Borrower's distillery and cocktail room business at certain real property located at 539 E. St. Germain Street, St. Cloud, MN 56304.

(b) The Authority and the Borrower have negotiated a First Amendment to Loan Agreement (the "First Amendment to Agreement"), a form of which is on file with the Board, which amends the Original Agreement to remove the personal guaranty of John Martens as security for the Loan.

(c) The Board has reviewed the First Amendment to Agreement and finds that the execution thereof and performance of the Authority's obligations thereunder are in the best interest of the Authority.

Section 2. Approval of Documents.

(a) The Board approves the First Amendment to Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the First Amendment to Agreement (the "Documents").

(b) The Board hereby authorizes the President and County Administrator, in their discretion and at such time, if any, as they may deem appropriate, to execute the Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied. The Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Documents shall not be effective until the date of execution thereof as provided herein.

(c) In the event of absence or disability of the officers, any of the documents authorized by this resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the County Attorney, may act in their behalf. Upon execution and delivery of the Documents, the officers and employees of the Board are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Board to implement the Documents.

Section 3. Effective date. This resolution shall be effective upon approval.

Approved by the Board of Commissioners of the Benton County Economic Development Authority this
____ day of December, 2025.

President

ATTEST:

County Administrator