

**Minutes of Meeting**  
**Trail County Economic Development Commission**  
**May 17, 2018**  
**7 p.m. Hatton Eielson School – Hatton, N.D.**

The meeting was preceded by a 6 p.m. tour of Jimmy's/Bonita's Pizza in Hatton.

**Board of Directors Present:** Ben Hershey, Roxanne Phipps, Alana Gerszewski, Gary Nysveen, Paul Geray. \*Note: Quorum was NOT met.\* Also present: Melissa Beach – Executive Director, Alyssa Short – Project Coordinator, Jason Richtsmeier – Elm River Properties and Olan Morrison – Elm River Properties.

The meeting was called to order at 7:23 p.m. by Chairman Hershey. It was determined that a quorum was not met.

**Additions to Agenda**

Jason Richtsmeier and Olan Morrison of Elm River Properties asked to present information on their housing project.

**Richtsmeier and Morrison**

Richtsmeier and Morrison discussed their upcoming purchase of Mayville Place/Park Rentals, a mobile home park and adjacent rental home properties on the south side of Mayville. Although Elm River Properties has been approved for a conventional loan, the duo is requesting a FlexPACE interest buydown loan from TCEDC so they have more flexibility to start making property improvements immediately. Richtsmeier said the properties are run down and even longtime residents are becoming discouraged. The two have previous experience with renovating rental properties in the area and would like to start by improving the road that leads to the rentals. They're looking at the properties as long-term investments.

Richtsmeier and Morrison said their plan is to make the properties "nicer" places to live, and incorporate credit and background checks for new residents, as well as standards for the types of mobile homes that are moved into the park. They also said that although the project itself doesn't necessarily spur job creation, many of the renters are local workers in the area.

Current rental prices are \$325/month for a mobile home space (with water and sewer paid), \$400/month for a 1-bedroom rental unit and \$525/month for a 2-bedroom unit. The current occupancy rate – which is about 72 percent across both properties – is essentially a break-even rate.

Richtsmeier and Morrison left the meeting at 7:59 p.m.

**Secretary's Report**

Gerszewski moved to accept the April 19, 2018 meeting minutes, seconded by Geray. No vote was taken due to lack of quorum.



### **Treasurer's Report**

Chairman Hershey asked if Beach and A. Short could confirm that the Newman Outdoor Signs contract won't be renewed at the end of 2018.

Nysveen moved to accept the May 17, 2018 treasurer's report, seconded by Phipps. Note vote was taken due to lack of quorum.

Chairman Hershey asked for clarification on a loan application check. Beach explained that the loan request didn't make it to committee because TCEDC's loan policy precludes loans that do not have a lead lender.

Gerszewski moved to approve payment of checks as submitted. Geray seconded. No vote was taken due to lack of quorum.

### **Executive Director's Report**

Beach presented the monthly executive director's report, giving an overview of her work with existing clients and noting that the deadline to meet with bankers may need to be adjusted because bankers are busy with new farm loans in the spring.

Beach said the multi-family housing development is moving forward in Hillsboro, with the USDA state director having recently signed off on the related land swap request. The next step of the process is for deeds to be assigned so the annexation process can continue.

Beach recently submitted AARP grant applications on behalf of five Trail County entities, has been keeping tabs on a potential business expansion project and gave board members a heads-up that changes are forthcoming to the Red River Corridor Fund.

### **Housing Update**

Beach reiterated that USDA approval was received for the Jordahl land swap with the Hillsboro Development Association, and said the annexation process has been challenging.

### **Proposed Business Expansion**

Beach said the proposed Degelman Industries expansion hasn't been decided, and that Degelman has requested the assistance of Trail United Group with compiling some of the incentives information. Beach also noted that she's provided feedback to the North Dakota Department of Commerce in terms of how these incentives could be streamlined to help recruit other manufacturers to North Dakota.

### **FlexPACE Request – Elm River Properties**

Nysveen made a motion to approve a 5-year loan to Elm River Properties with 5.25 percent interest accruing while payments are delayed until completion of the buydown, per FlexPACE policy, contingent on BND approval of the loan. Payment in full would be required 30 days after the buydown completion. Geray seconded.

Chairman Hershey called for a roll call vote of board members present: Gerszewski – yes, Nysveen – yes, Geray – yes, Phipps – yes, Hershey – yes. No official vote was taken due to lack of quorum.

**Community Updates**

- Gerszewski – At least six new single-family homes and two twin homes will be built in Riverwood this summer. Planning for Summerfest continues.
- Nysveen – Hillsboro EDC is looking for land for a new development, and the search isn't going well. Hillsboro's city auditor is resigning.
- Geray – Work on Hillsboro Airport's runway started Monday. Jordahl requested annexation to the City of Hillsboro for their multi-family housing project land. Dale's Food Pride was sold to Miller's Fresh Foods. Uniquely Yours and Reno's Sport Bar are closing within the next few weeks, and both businesses still are for sale. TAP-That, Hillsboro's newest bar, is open for business. The Idea Shop moved to a building across the street. Graduation is coming up, and the Hillsboro Dollars for Scholars chapter handed out more than \$100,000 in scholarships this week. Hillsboro Schools will not have tuition agreements with Minnesota schools, which is disappointing to area businesses. Hillsboro EDC is sponsoring a logo contest. Hillsboro Days planning continues.
- Phipps – Hatton Ford is closing June 30. School projects bids came in over budget, so the project is being redesigned and will be rebid at the end of the month; Phipps' much-anticipated window may be in jeopardy. There has been more action at the Heggy's building site, and Miller's Fresh Foods in Hatton is NOT closing, despite rumors. The school board election should be interesting this year.
- Hovet (sent via email) –More than 200 people were in attendance at the May 4 celebration of President Gary Hagen's retirement. Hovet noted this quote from President Hagen "I look forward to watching some of the past efforts come to fruition – Mayville State is not just surviving, it is thriving!" Graduation was held May 12. MSU had more than 170 graduates eligible and about 100 walked the stage to receive their diplomas. Summer Session starts May 21 and all indicators show MSU will have its largest summer session yet.
- Hershey – The Buxton Park Board might receive a donation of playground equipment from a property in Grand Forks. Buxton Improvement Group is looking for a face-painter for Buxton Family Fun Day, which also is set to include a parade, bounce houses and a 5K (before the food, not after). The price of a home for sale in Buxton has dropped and another might be moved to make way for a modular home. School board elections are coming up. Hershey also recently attended a meeting about the Nielsville bridge, for which a BUILD grant application will be submitted.

Meeting adjourned at 9:42 pm.

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Officer (printed name & office)	Signature	Date
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Recording Secretary (printed name)	Signature	Date
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