

**Minutes of Meeting**  
**Trail County Economic Development Business Assistance Committee Minutes**  
**January 10, 2023 – 2:30 p.m.**  
**TCEDC Conference Room/Zoom Video Conference Call**

**Present:** Board Members –Jami Hovet, Ben Hershey, Marshall Erickson and Dustin Olson. Also present – Jim Murphy, Executive Director, Alyssa Short – Deputy Director, Gary Nysveen, Hillsboro EDC and Mark Forseth, Hillsboro EDC.

The meeting was called to order at 2:33 p.m. by Committee Chair Hershey.

Murphy explained that this is a joint meeting between TCEDC and HEDC and that we have two Flex PACE loans coming up for review at the TCEDC Jan. 19 meeting.

**A to Z properties**

A to Z Partners is buying two properties in Hillsboro – a 6- or 8-plex and a multiplex near the softball fields. They're requesting a community buydown of roughly \$54,000 over five years and Murphy recommends a split between TCEDC and HEDC, with annual installments. The rough math is \$5,500 per year per group for five years.

TCEDC committee members questioned whether this was an appropriate use of multifamily Flex PACE buydown funds, which typically are geared more toward new construction. Murphy and Short advocated for the project, especially considering that rental options will be more important with rising interest rates and housing integral to local businesses. A to Z also is planning to make some improvements to the properties. Both TCEDC and HEDC committee members said they'd prefer to see the funds go toward an improvement loan rather than a purchase loan. Everyone in the meeting expressed concerns about setting precedent, either for or against the loan.

TCEDC committee members also discussed whether the request should be brought to the full board or if it's the responsibility of the business assistance committee to decide this in the interest of saving board members' time. He asked if there was a motion to bring this request to the full board. No motion was made.

Murphy said he would talk to the applicants about restructuring the loan to include improvements.

**Whisney/Bertsch**

The duo, with their entity name pending, intends to purchase the previous Dakota Heritage Bank building in Hillsboro and are requesting about \$17,300 for a buydown. They plan to use some office space themselves but change the floorplan and open up the remainder for rental space.



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TCEDC committee members expressed concern about the funds going toward the purchase and not improvements; Murphy and Short explained that there is a demand for office rental space, which could result in job creation – as well as creating a storefront for an existing business (Civil Specialties), which current has none.

Attendees discussed whether it would be possible to enforce changes or expansions to the building footprint but admitted these contingencies would be difficult to follow through on.

Erickson made a motion to bring the Whisney/Bertsch request to the full TCEDC board on Thursday night, while holding off on making a recommendation on the loan specifics. Hovet seconded the motion. Motion carried.

Meeting adjourned at 3:37 p.m.