

Minutes of Meeting
Trail County Economic Development Commission
September 19, 2023 – 7:00 p.m.
TCEDC Conference Room – Hillsboro, N.D./Conference call via Zoom

Present: Board members: Mark Duncan, Ben Hershey, Vicky Grothmann, Cassie Braaten, AJ Andresen, Marshall Erickson, Jami Hovet, Dr. Brian Van Horn and David Knudsvig. Also present: Jim Murphy – TCEDC Executive Director, Alyssa Short – TCEDC Deputy Director, Cole Short – Hillsboro Banner, Mark Merck and Jim Johnson.

The meeting was called to order at 7:04 p.m. by Chairperson Hovet.

Agenda additions

Short asked to add the lease to the agenda. Murphy requested that the Hillsboro Storage LLC Flex PACE loan request be moved up on the agenda.

Secretary’s report

Hershey moved to accept the August 17, 2023 meeting minutes, seconded by Van Horn. Motion carried.

Treasurer’s report/approve checks

Short noted that all loan payments were current and TCEDC had received \$3,000 each from Hillsboro EDC and MayPort EDC for the “Hot on the Trail” app. Erickson moved to accept the treasurer’s report, seconded by Hershey. Motion carried.

Short said the month’s payments included some training fees, several membership renewals and payments for the “Hot on the Trail” app and new website. A child care grant and two public spaces grants also were paid out. Braaten moved to approve checks, seconded by Hershey. Motion carried.

Flex PACE loan request from Hillsboro Storage, LLC

Murphy introduced Merck with Hillsboro Storage LLP, who was requesting a Flex PACE community buydown to help with the buildout of the storage units in Hillsboro. The five-year, roughly \$57,000 buydown would save the company more than \$131,000 in interest.

Merck said his group owns about a dozen facilities throughout the region. The Hillsboro facility currently is appraised at \$1.3 million, and the company has two more pieces to build on there. He noted that storage and rentals don’t stagnate; they increase in value and that fall is the busiest time of the year for leasing.



He noted that several clients are from out of town, and that the storage is good for the growth of the future apartment buildings in Hillsboro.

Erickson moved to approve a Flex PACE buydown loan of up to \$57,000, funded annually for a five-year period to BND and due within 12 months after completion of the funding period, with a variable interest rate of prime plus 1 percent, accrued annually, starting upon the first payment to Bank of North Dakota, with no penalty for early payoff. Andresen seconded the motion.

The board discussed the reserve fund capacity and whether the approval should be contingent on Hillsboro EDC sharing the loan. Motion carried, with Hovet voting nay.

Executive Director’s report

Murphy spoke with Patrick Bertagnolli, the executive director of Job Service ND, regarding CTE initiatives and manufacturing programs for schools. He and Short spent a great deal of time working on Flex PACE loan work.

Anchor Ingredients purchased property in Hatton to use as a shipping/receiving station and may be looking at getting the rail spur active. Murphy and Short reviewed primary sector designations for Trail County businesses spent a day touring businesses and meeting with clients, together with Dave Lehman and Kevin Sonsalla from the N.D. Department of Commerce. Several of those businesses are looking at expansions.

Murphy had an interesting discussion with a representative from the O’Leary Investment Group and worked on site selection for Agassiz Sustainables. Murphy, Short and Hovet attended Big Iron and spoke with 50-60 attendees/potential clients. Hovet said Murphy and Short “work harder than any other EDC team out there.”

The staff worked on the “Hot on the Trail” campaign with Bandwango and spoke with the local EDCs about contributing financially. They worked on Destination Development grants for multiple businesses, helped find contacts for the Hatton Park Board, worked on annual audit and benefit work and continued with website planning.

The duo attended the state EDND conference in Bowman, where they moderated a child care panel. Short congratulated Murphy on receiving an award for North Dakota Developer of the Year from Commerce and his peers.

Insurance increase

The Trail County Commission discussed the issue, but ultimately decided not to cover family insurance this year. Murphy wants to revisit this issue for TCEDC next year and Hovet recommended including a contingency in the preliminary budget.

Shop Local revamp – “Hot on the Trail”

Murphy said he heard excited responses when he communicated this to his Trail County business list. TCEDC is hoping to have a good response and recoup the county’s investment. The launch tentatively is planned for mid-November.

Closure of Hatton Free Press & Trail County Tribune

Murphy said that a month and a half ago there were three newspapers in Trail County and now only one is left. He said the impact to TCEDC won’t be huge, but it’s a big deal for a community to lose its voice.

Flex PACE loan request from Scott Walden

Murphy said that Scott Walden was requesting a Flex PACE for his veterinary clinic, and mentioned the tax impact and how much of an investment Walden has put into building out the clinic in a previously vacant downtown building. The loan could potentially be split with Hillsboro EDC.

Erickson moved to approve a Flex PACE buydown loan of up to \$16,000, funded annually for a two-year period to BND and due within 12 months after completion of the funding period, with a variable interest rate of prime plus 1 percent, accrued annually, starting upon the first payment to Bank of North Dakota, with no penalty for early payoff. Duncan seconded the motion. Motion carried.

Community Showcase – November 30, 2023

This is a tentative date, and the location will probably remain at Goose River Brewing in Hillsboro.

Lease

TCEDC’s current lease is invalid after the purchase of the building by its new owners, so an updated lease needs to be signed for the remainder of 2023. The rates will stay the same for the rest of the year. The new building owners, the Trail County Water Resource District, proposed a new lease with a 10 percent increase for the next three years.

Hershey moved to approve the lease agreement for the rest of this year and the new one valid from 2024 through 2026 at the rates listed in the agreement. Knudsvig seconded the motion. Motion carried. Murphy is able to sign on behalf of the office.

Community updates

- Hershey – Murphy and Short were helpful in providing communication to legislators regarding the issue of stopped BNSF trains in Buxton, which had persisted for about 9-12

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months. The problem had escalated in the past six weeks and was a big concern from safety and emergency services standpoints. He thanked the board for its public spaces grant contribution to Buxton Park Board. Progress has been made on the cleanup of property in downtown Buxton (the old hardware store). A benefit is planned in October for the owner of the Triple VVV, who has been diagnosed with Stage 4 cancer.

- Grothmann – Hillsboro’s homecoming was last week so things are back to normal this week. Tomorrow night is a public meeting with the school bond referendum vote next Tuesday.
- Braaten – Streets in Mayville are getting finished but it’s been a slow process. Some buildings downtown have been sold.
- Duncan – There was a bus accident involving the Hatton-Northwood volleyball team. Overall the team was very lucky. Anchor Ingredients bought an old elevator property and have started advertising for help already. The Blue Line is for sale.
- Andresen – No report.
- Erickson – There was a record turnout at the Galesburg car show and other events. The new playground is up in the Galesburg park.
- Van Horn – Congratulations to everyone on their recent awards. Thanks to communities for their support of Farmers Bowl and homecoming. It was an amazing weekend and a lot of people recognized for their years of service.
- Knudsvig – Congratulations to the overachievers. Landowners need to mow their ditches the first part of October and possibly post their land for hunters.
- Hovet – The Traill County Historical Society held its fall festival and Mayville hosted the Cruise to the Islands, along with homecoming and Farmers Bowl at Mayville State. There was a lot of foot traffic and great weather. Now it’s time for flu and “COVID-ness” season.

Erickson made a motion to adjourn the meeting. Meeting adjourned at 8:15 p.m.

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