

Minutes of Meeting
Trail County Economic Development Business Assistance Committee Minutes
September 19, 2023 – 6:00 p.m.
TCEDC Conference Room/Zoom Video Conference Call

Present: Committee Members – Vicky Grothmann, Ben Hershey, Marshall Erickson, Jami Hovet and Dustin Olson. Also present – Jim Murphy, Executive Director and Alyssa Short – Deputy Director.

The meeting was called to order at 6 p.m. by Committee Chair Hershey.

Scott Walden Flex PACE request

Short said that Walden is seeking an interest buydown on a loan to convert a long-vacant downtown building into a state-of-the-art veterinary clinic. She noted the significant investment Walden has made in the building, the additional sales tax revenue the clinic brings in from clients outside of Hillsboro and his future plans for the remainder of the building. The buydown amount would be approximately \$15,000, potentially shared with the Hillsboro EDC, saving him about \$35,500.

The committee agreed to recommend to the full board a motion 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.

Hillsboro Storage, LLC Flex PACE request

Murphy said a group of businesspeople led by Hillsboro's Mark Merck will be constructing a third set of storage units at the business' current location along the I-29 frontage road just outside of Hillsboro. The taxable valuation of the land would increase from about \$1,000 to more than \$900,000, which would be a tremendous tax payback for the county. The buydown amount would be \$56,368, potentially shared with the Hillsboro EDC, saving the company \$131,293. It would, however, be the largest Flex PACE loan to date from the TCEDC office.

The committee agreed to recommend to the full board a motion 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.

Meeting adjourned at 6:57 p.m.

