

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

Present: Board members: Marshall Erickson, Mark Duncan, Vicky Grothmann, AJ Andresen, Cassie Braaten, Dave Knudsvig and Ben Hershey. Also present: Jim Murphy – TCEDC Executive Director, Alyssa Short – TCEDC Deputy Director and Cole Short – Hillsboro Banner.

The meeting was called to order at 7:03 p.m. by Vice Chair Knudsvig.

Agenda additions

Short asked if the Board could discuss the Walden loan term changes before the check approvals.

Secretary’s report

Duncan moved to accept the September 19, 2023 meeting minutes, seconded by Grothmann. Motion carried.

Walden Vet change in terms on their Flex PACE loan

Murphy explained that the Flex PACE loan previously was approved for two years, but the bank meant to ask for a five-year loan. The overall amount of the loan won’t change. Erickson moved to kill the previous motion and approve a Flex PACE buydown loan of up to \$16,000, 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. Duncan seconded the motion. Motion carried.

Treasurer’s report/approve checks

Short said that Smith and Abell paid off the balance of their Flex PACE loan. All loan payments were current and a few more grant payments were issued. Paychecks went early from Quickbooks because they sometimes do that right after a payroll update. Grothmann had a question on the marketing credit balance for Shop Local; Short explained those were the “Hot on the Trail” contributions from the local EDCs that hadn’t been paid out yet to Bandwango. Grothmann moved to accept the treasurer’s report, seconded by Duncan. Motion carried.

Short said the month’s payments include the two Flex PACE checks. She also explained the stop-payment issue with Civic Plus and why that check had to be reissued as two separate ACH transfers. Duncan moved to approve checks, seconded by Braaten. Motion carried.

Executive Director’s report



Murphy said he and Short have worked on the following activities the past month, among many others:

- Helped a Hillsboro businesses find room for a second location in Grafton.
- Had a conversation with the Business Assistance Committee about an outstanding loan but TCEDC shouldn't be worried about repayment; it might just happen more quickly than expected.
- Met with a Hillsboro business about an ownership change.
- Asked Hillsboro EDC to partner on the Hillsboro Storage and Walden Vet loans.
- Done some work-behind on the community showcase.
- Had a call with Mainvest while thinking of businesses in Trail County who want to work with that kind of model.
- Met with a developer and investors regarding potential incentives for Riverwalk in Hillsboro. They also met with a developer and his associates about multifamily housing in the development.
- Had meetings with a few Buxton businesses. One is looking at an expansion and another is considering upgrades within their facility.
- Connected a few Trail County businesses to solve a problem one was having.
- Met with a service business that's looking for a space to open in Hillsboro.
- Launched the work-behind on the "Hot on the Trail" campaign, which is tracking toward a mid-November launch date.
- Showed Randy Richards from Sen. Cramer's office around the county.
- Spoke with a Hillsboro artist about potential placemaking projects and grant funding.
- Had several conversations with D20 legislators about housing needs.
- Attended the Banner open house at Soholt Bakery in Mayville.
- Attended the GNDC Policy Summit, which was an incredibly useful day.

Community Showcase, November 30, 2023

Murphy said TCEDC is planning something similar to what we did last year; set up at the brewery in Hillsboro for a few hours on the afternoon of the 30th. The office wants to get as many builders and investors as they can to get some projects moving.

"Hot on the Trail" campaign update

TCEDC got a lot of the work-behind done. Bandwango is contacting the merchants. Murphy has spoken about the program at EDC meetings and HBA. He and Short will start ordering marketing materials when the links are done and get ready to rock.

Updates on website conversion

This project requires quite a few hours and isn't Murphy's bailiwick. He's looking forward to it being done.

Interest Rates on our loans – discussion & potential action

With prime around 8 percent, our new loans typically come in at prime plus 1 percent – as does incoming interest for variable rates – so around 9 percent. Murphy contends that charging a client 9 percent interest on something that’s meant to improve their financial station in the first place isn’t the right thing to do. He wanted to start a discussion on whether to cap that.

Erickson had this conversation with other loan programs like BND that are set up to be favorable. Typically prime or prime plus 1 percent is a good rate. He’s open to the idea of a cap.

The Business Assistance Committee will meet Nov. 7 to discuss and make a recommendation.

Transfer to loan fund – vote required

Erickson moved to transfer \$10,000 from the general fund to the reserve fund, seconded by Braaten. Grothmann asked about current balances. Motion carried.

Renewal of business training and certification grant – vote required

Erickson made a motion to renew up to \$5,000 for another year of these grants, seconded by Hershey. Motion carried.

Community updates

- Duncan – There’s a lot of activity at the new Anchor building in Hatton. The project looks good for the community. Railroad closed First Street by the elevator to fix things up.
- Hershey – The Buxton City Council approved a tax break application for Central Valley Bean for an expansion project. The city acquired a Bobcat Toolcat using Prairie Dog funds for projects around the community. A very successful benefit was held for the owner of the Triple VVV, Ponytail Tom. There were challenges with getting the budget finalized from the county standpoint. Hershey reached out to the commissioners to ask them what they think they approved; he noted challenges between the county auditor and county commission and said people need to be fully aware of some of the decisions and lack of knowledge that’s driving pay for the county employees.
- Grothmann – The recent bond referendum failed for the Hillsboro School District. The committee met and is trying to decide what to do next. They need some community input. Sweet Sips opened and a new city auditor has been hired for Hillsboro. She’ll start Oct. 30. The Railroad Park is getting an 18-foot Christmas tree.
- Erickson – The Mayville street project is largely completed. There are a few fixes to be made. Harvest is in full force in rural Clifford.

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- Braaten – Family Dollar/Dollar Tree being worked on in Mayville. The MayPort Community Club is working to install Christmas lights on all Main Street businesses. She heard a rumor that the drive-in was sold.
- Andresen – Harvest.
- Knudsvig – Andresen will be in the Rural Development ND program. If you live in a township, mow your ditches.

Erickson made a motion to adjourn the meeting. Meeting adjourned at 7:53 p.m.

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