

Sargent County Job Development Authority

Minutes

Date of Meeting: March 14, 2017 Time: 5:30 pm

Location of Meeting: Lariat Bar Backroom Rutland ND

PRESENT: Mark Bopp, Sandra Hanson, Al Colemer, Robert Ptacek, Bill Anderson, Terry Dusek, Mike Walstead, Carol Petterson, Ron Narum,

Not Present: Jessica Peterson, Jerry Erickson, Randy Pearson

Also Present: Mike Pyle, Jeremy Becker, Justin Nepl, Nathan Berseth

Meeting was called to order by Chr Mark Bopp

Minutes of Last Meeting were Presented by the recording secretary Sandra Hanson

Ron/Terry to approve the minutes as read. Motion Carried unanimously.

Treasurer's Report: \$103,372.59 balance on hand as of Feb 28th, 2017.

Loan Reports: All payments are being made on time.

OLD BUSINESS

Spec House- Nathan reported that the JDA Spec house located in Milnor is being placed on the Market through Lacey Wyum, a realtor located in Milnor. The asking price is currently set at \$272,000.00. It is a 3 bedroom one level home with no basement. Due to construction and to the new development going on at the same time the yard around the house isn't in the best shape, but that is typical for new builds.

NEW BUSINESS

Lariat Bar- Mike Pyle and Jeremy Becker presented a proposal for a gap loan from the SC JDA. They have been working with Justin Nepl and Nathan Beresth regarding the process and to put together the financial information needed. Mike & Jeremy are requesting the amount of \$40,000.00 to be used to cover the gap in the Loan. They are considering the purchase of pizza making equipment for delivery and on site ordering. Rutland community Club is also providing a \$20,000.00 loan to the two men. Sargent County Bank currently holds the note so will continue to support the new loan of \$225,000.00. Total purchase price is \$305,000.00. The two men have a personal investment to date of approximately \$48,000.00. Bill/Al to approve the loan of \$40,000.00 through the SC JDA at 1% interest over prime as of today's rate. 20 yr amortization with a Balloon in 5 yrs.

Discussion- Nathan suggested allowing the payments to begin at a later date. To give them a chance to get organized and complete the paperwork. Jeremy stated that they are currently renting the building. Justin stated that they were using 3% interest at a 15 yr term with a 3.18 debt surface for financial projections. There isn't a history with the new owners so used the information available from July 2016 through November. Bill amended the motion to add "the payment schedule to begin October 1st, 2017". Al seconded the amended motion. Chr Mark called for a roll call vote_ Ron yes; Robert yes; Al yes; Mike yes; Sandy yes; Carol yes; Terry yes; Bill yes;. Chr Mark stated motion with amendment passed unanimously.

Housing Incentive- Nathan reported that the JDA should continue to support the need for housing in the county. A suggestion would be to put together an investment group or it may be several different groups within the county of people whom want to invest in their individual communities. These investment groups could be the lead on any further housing projects. Work with communities to get them on board and involved so there is vested interest in their communities. Nathan will email out to each JDA member a request for ideas of individuals, groups, or businesses that may want to get involved. He will do the outreach work in making contact with any names on the list.

Lake Agassiz- There is currently still ND Housing and finance projects potential. Private investors are encouraged and supported through the Lake Agassiz program. There appears to be some competitiveness in the construction market yet.

Bremer Bank- Nathan states there is a grant available for housing incentives and he is submitting a grant. This could potentially be used to create a pool of financial resource for funding.

With no further business before the JDA Chr Mark called for the round table

Gwinner- working with a interested party for the purchase of the U turn. The 17 plex will be geared first for low to moderate income renters.

Forman-Water tower update scheduled to be completed end of march early april. Planning an open house. Golf Course is being leased out to a couple who are going to open March 15th and they are going to try serving breakfast beginning at 7:00 am. Lunch and supper till 10:00 pm and staying open till 2:00 am.

The Safe Route to school continues to move forward. It will be a concrete pad instead of asphalt. There is community concern regarding the current speed limit on ND Hwy 11 going through the south side of town. Continued efforts are being made to encourage the NDDOT/Hwy Patrol to consider dropping that down to 25 m/p/h to be consistent with ND Hwy 32 on the east side of town.

Wurth added inventory and has expanded their distribution area. Full Circle Ag is putting up a building on the west side of town for fertilizer and seed.

Milnor- Spec house close to completion. NoDak mutual moved to Milnor in the Old J & M building. They have a couple other businesses interested and considering a business in Milnor as well. Verizon is still planning to place a tower near Milnor. The Old cozy café has been demolished. The sign is up on the outside of Milnor. The New Fire Hall is just about ready to be moved into and the Old Hall will go on the market.

Rutland- Jake Seed & feed new building is completed. The tanks are relocated. Rodney Erickson is taking in and shipping grain now out of the elevator. Dennis McLaen placed a MH up on some of his ag land in Rutland and Has lots for sale for others in that area. Drain 8 improvement didn't go through but still needs to be cleaned and maintained. Moore Engineering is doing a infrastructure review/assessment.

With nothing further, Mark Adjourned the meeting at 7:15 pm

Recording Secretary,
Sandra Hanson

On March 15th, 2017 Sandra Checked Prime Interest rate and found 3.75% on the Prime rate federal funds rate, COFI using the WSJ prime Rate.