

# Sargent County Job Development Authority Minutes

Date of Meeting: Monday, August 15<sup>th</sup>, 2016 Time: 5:00 pm

Location of Meeting: Sargent County Courthouse conference room

**PRESENT:** Carol Peterson; Ron Narum; Bill Anderson; Terry Dusek; Sandy Hanson; Robert Ptacek; Jerry Erickson; Mike Walstead; Al Colemer; Mark Bopp; Randy Pearson; **Not Present:** Jessica Peterson

**Also present at meeting:** Nathan Berseth

**Meeting Called to Order:** Mark Bopp Chr at 5:05 pm

**Minutes of Last Meeting Presented:** the minutes of the meeting dated on May 4<sup>th</sup> 2016 were read.

**Terry//Ron to approve the minutes as presented. Motion carried unanimously.**

**Treasurer's Report:** 2016 Budget total \$297,600.00 as of the activity report dated 7/31/2016- Expenditures drawn-\$26,192.62 balance remains on budget-\$271,407.38

Expenditures	1/1/2016 – 7/31/2016	amount	description
Lake Agassiz	5/17/16	\$ 1,500.00	yrly dues
CCA	5/17/16	\$21,000.00	yrly contract
BND-	7/20/16	\$ 3,685.15	ELL property annual interest buydown
SC Treas	1/22/16	\$ .24	Abatement refund
ND State Tax Comm	7/26/16	\$ 7.23	Abatement refund
TOTAL Dispersed as of 7/31/16:		\$26,192.62	

**Jerry/Mike to approve the treasurer report as presented. Motion carried unanimously.**

**Loan Reports:**

**Four Seasons Health Care-**

**Waswick Chiro-**

**Rutland General Store-** Sandy reported that the city of Rutland has revoked the New Business payment in Lieu of taxes due to the General store is not providing the service of operation that the approved application applied for.

**Ell Properties-** the 2<sup>nd</sup> of the annual payments for the interest buydown was released by JDA in July. See treasurer report.

**Bixby Body & Glass-** Terry reported that it appears to be busy with customers and doing well.

Sandy reported that all loans are current with payments.

**Milnor Spec Home-** report presented later in Minutes

**Four Seasons Villas-** FCDC completed the paperwork for the BND funding and the interest buydown came to the amount of \$33,333.27. currently the minutes dated March 11, 2015 approve \$33,000.00.

Bill/Jerry to approve the additional \$333.27 of the interest buydown. Motion carried unanimously. Mike mentioned that in a conversation with Steven McLaen would the JDA consider an additional \$50,000.00.

Mike stated that the grant dollars approved by the JDA 3/11/15 minutes could be released at anytime. Sandy will prepare the payment. The check will be presented at the Villas with a photo op for the JDA and Villas.

**OLD BUSINESS**

**Spec Home-** Nathan reported that the Spec home is in the construction phase. Marquette Construction is the contractor. There is no basement, just a crawl space. The house is on a higher visibility lot to entice interest both in the house and also in the development. Nathan is estimated cost at turn key is \$250,000.00. That will include flooring & cabinets. Nathan/Terry are estimating the commitment by the JDA to be around the \$62,500.00 of the up to \$100,000.00 approved by the JDA at the May 4, 2016 meeting. The house will be listed with Lacy Wyum.

**Milnor New Development-** Carol reported that the project completion date is November 9<sup>th</sup>. Currently have the gravel, water/sewer in. City is pricing lots at \$2,000.00 - \$6,000.00 dependent on the lot. To assist with advertising a billboard is going up on Hwy 13 to read "You could be home by now".

**NEW BUSINESS**

**Gwinner City-** The city is interested in a spec home in the community. Also looking at potential for another flood home.

**CCA Report**-Nathan Berseth provided a briefing on the CCA activities in Sargent County. Continues to work with cities/development groups that are showing an interest.

BND was not affected with the Legislative special session budget review. 2% still good through June of 2017. Nathan presented a draft letter that he put together for the communities in the county. After review of the letter **Terry/Al to approve the distribution of the letter. Motion passed unanimous.** Minutes do not have a copy of letter on record.

Nathan will also continue to work with the teller for some articles of interest on the SC JDA activities. Nathan is meeting with Rutland City Council August 16<sup>th</sup> and with Forman City on September 12<sup>th</sup>. Hoping to meet with Gwinner City sometime in September as well. A continued ongoing working relationship with Milnor city.

Nathan was present at a commission meeting on August 2<sup>nd</sup> to provide an update on the CCA activities on behalf of the SC JDA.

Nathan discussed with the group a potential grant for housing/manufacturing and to develop some type of consortium with existing businesses. The grant potential request would be \$250,000.00. **Terry/Robert to approve the writing and submission of the grant application. Motion carried unanimously.**

**SC JDA 2017 Budget**-current 2016 budget is drawing the maximum 4 mills. As far as discussion goes, the JDA members, the commission, and the residents of the county need to think of the dollars as not spending but investing into our county community. Discussion of the current projects on the table and the potential of additional projects coming up. Review of the JDA fund balance. **Ron/Carol to request the full 4 mills for the 2017 JDA budget. Roll Call vote- Carol-Yes; Ron-Yes; Bill-Yes; Terry-Yes; Sandy-Yes; Robert-Yes; Jerry-Yes; Mike-Yes; Al-yes; Mark-yes. With all votes present Yes and no Naves motion carried unanimously.**

**Milnor & Forman city JDAs**-it is currently recognized by the County JDA that each of these cities are drawing their own JDA mill and are not currently being taxed by the county JDA mill within these cities. Discussion regarding the impact of the two cities funds on their communities as well as on the overall county JDA fund and how that should impact distribution of potential projects within these two cities by the county JDA. At this time it is felt that there is no adverse impact on the county JDA due to the lack of the funds paid to the county by the cities of Milnor & Forman. Those cities use their funds for the same purposes and goals and compliment the County JDA. No Further action taken.

#### **Round Table:**

**Lariat Bar**- under new management currently through a lease. New managers are working with Justin Neppel to secure a business plan for financial funding through Bremer Bank for the purchase of the business. No lead lender at this time. Sale price \$300,000.00 and bars/restaurants a difficult loan to secure at this time. Potentially looking for a secondary loan of approximately \$85,000.00 of the \$300,000. The Rutland CDC is hoping to assist in providing the buydown or some type of support to the interested buyers. The interested buyers have invested about \$20,000.00 to date of their own funding. Business appears to have revived and the management has some good ideas for future promotion.

**Rutland city**-also investigating the possibility of extending the water/sewer to an area in the west part of town. **Four Seasons Villas**-reported 3 apartments are occupied. Mark explained the setup of the units- there is a flat rental rate and then add on rent for some options available. Such as a stove. Fridge in each unit but the stove is available in 6 units if wanted. Continental breakfast and a 2 meal option plan. The facility has a washer/dryer available for occupants, a community kitchen, a large gathering area on the main floor, and a small private room for use.

**SouthEast Auto**-Terry inquired in to the activities of that business. As they did come to the JDA at one time and then pulled their request. Mark reported that they are very busy and continue to grow. It will not be a surprise of a growth spurt of space and/or structure comes up in their future.

With no further business the meeting was adjourned at 6:30 pm.

Recording secretary

Sandra Hanson

