

PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



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PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES October 17, 2018

Call to Order

Chairman Ed Rarick called the October 17, 2018, Prairie Development Corporation Board meeting to order at 6:58PM held as a teleconference meeting. Members attending, in addition to Ed Rarick, were: Steve Burgess, Rol Hudler, Robert Safranek, Dorothy Stone, Niccie Tanner and Marilyn Ward. Candace Payne, PDC Administrator, also attended. Jerry Allen, Grant Thayer and Robert Safranek were not able to attend.

Introductions

Introductions were made at the beginning of Loan Committee and no changes were made to the attendee's list.

Approval of Minutes of August 22, 2018

The Minutes of the August 22, 2018, meeting were reviewed. Steve Burgess made the motion to approve the Minutes as presented. Rol Hudler seconded the motion, which passed unanimously.

Financial Report

The August and September of 2018 Advanced Classified Balance Sheet Reports were provided to the board and subsequently reviewed. The August checks for \$3,704.89 and September checks \$6,430.36 were reviewed. Check purposes included attorney fees, lawn mowing and typical monthly expenses. After reviewing the checks and the account balances, Steve Burgess made a motion to ratify the bills and approve the financial reports for filing. Marilyn Ward seconded the motion, which passed unanimously.

Business Loan Recommendations

PDC Administrator Payne recapped the loan application for \$50,000 for working capital using the Statewide Collaborative Micro-enterprise loan funds for a Lincoln County business as discussed in the Loan Committee meeting earlier this evening. Terms of the loan were recommended as an 8-year term at 5.00% fixed interest with monthly payments of \$500 with a balloon payment at maturity. The collateral could be a UCC filing on the inventory as the building was being leased and the applicants had a first lien on their home. (Candace emailed the loan write up October 18th and received a favorable vote for Loan #20181019 for \$50,000 at 5.00% fixed for 86 monthly payments of \$500 with a UCC filing on the business funded by the statewide MEP program).

Funding this loan would use all of our allocated Statewide Collaborative Micro-enterprise funds, however high demand funds are still available until December 31, 2018. At that time, all unused funds will be returned to the state's account.

Housing Recommendations

There were no housing loan applications to approve or ratify at this meeting. One Down Payment Assistance application is in the hands of prospective borrowers now.

Harvest Heights Housing

Candace reported Stratton Area Foundation still holds the final \$1,000 we loaned them. As soon as the final reports and actions are satisfied we will be paid.

Statewide Collaborative BLF

Candace reported to the board that these funds may be used for “character” loans which could include construction and higher risk clients for various loan purposes with terms of eight years or less carrying little to no collateral. The fixed interest rate is tied to Wall Street Journal Prime plus up to 2%. Funds are still available until December 31, 2018.

Potential Loan Activity

Candace reported there is one active loan application out which could use CDBG monies. The applicants are working on their business plans with SBDC staff and have a primary lender for the larger portion of the requests. If an interim Loan Committee meeting is needed for approval, Candace will alert the chairman to call a teleconference.

SBDC Update

Jennifer Negley of the Greeley remains consistent in providing counseling service in Kit Carson County and is adding a day per month in Cheyenne Wells this year. There were no reports from Craig Curl on his efforts. Troy McCue’s staff has been working with the Lincoln County business PDC considered for a loan.

Scholarship Program Application

A sample application for the scholarship program was provided to the board. After a quick review and discussion, a suggestion was made to add two letters of recommendation to the application requirements. Candace will add that item to the process and was directed to move forward with the project. A letter of introduction along with the application will be sent to the school career counselor or school staff member handling scholarship applications through the region. The board complimented Candace on the work here.

128 Colorado Ave – Electric upgrade bids

Provided for the board’s consideration were two bids from local electrical contractors. Bids were received from Fox’s Electric in Stratton and Daniel Electric in Burlington. Reducing electricity consumption is the goal of the bids. Working with K. C. Electric Association for a rebate will allow PDC to reduce costs and our carbon footprint. Bids were specific to replace bulbs, replace fixtures and upgrade to LED bulbs for the office and the two leased apartments. After review of the bids, Fox’s Electric was chosen to replace fixtures and bulbs in the office and north apartment in 2018. The south apartment will be done at a later date. The bidders will be notified of the selection in November.

Marilyn disconnected from the meeting

Other

Chairman Rarick asked for an update of activity from various board members. Steve Burgess reported for Lincoln County: two businesses are interested in warehouse space, Denny’s Restaurant closed, Golden China is closing, ballot initiatives are getting lots of discussion, the new quilt shop in Limon is appreciated, Rush Creek hosted its ribbon cutting ceremony and a Mexican restaurant may be opening soon.

Rol Hudler reported Burlington is working with Federal Bureau of Prisons on an option for their closed facility and he voiced concern for farmers as more irrigated farm ground have wells being shut down. CREP payments will be made to offset some income reductions.

Elbert County has approved a solar farm recently and expects great revenue from the Rush Creek wind farm.

Marilyn Ward mentioned Kit Carson has three new businesses including a feed store, clothing store/insurance office/beauty salon all in one location run by three different owners, a barbeque food truck/stand. Kit Carson School has a bond issue on the ballot to approve and accept a BEST grant. Two wind farms in Cheyenne County will be a boost to their economy.

Next meeting

There will not be a November meeting. The next meeting will be December 19th at a location to be determined which could be a teleconference or in-person meeting.

Adjournment

Chairman Ed Rarick adjourned the meeting at 7:52PM when no further discussion was brought forth.