

PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



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PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES August 19, 2020

Call to Order

Chairman Ed Rarick called the August 19, 2020, Prairie Development Corporation Board of Directors meeting to order at 6:56PM held as a teleconference due to COVID-19 restrictions. Members attending, in addition to Chairman Ed Rarick, were Steve Burgess, Rol Hudler, Robert Safranek, Dorothy Stone and Marilyn Ward. Candace Payne, PDC Administrator, also attended. Jerry Allen and Grant Thayer were not able to attend. The At-Large position is currently vacant.

Approval of Board Minutes of May 27, 2020

The Minutes of the May 27, 2020 meeting were reviewed. Rol Hudler made the motion to approve the Minutes as presented. Robert Safranek seconded the motion, which passed unanimously.

Financial Reports

The April, May and June 2020 Advanced Classified Balance Sheet Reports and Check Register Reports were provided in the packet. The checks paid in April totaled \$625,018.94 and no debit card purchases; May checks paid were \$17,998.30 and debit card purchases equaled \$384.90; and June checks paid were \$11,882.89 and debit card transactions equaled \$37.09. Payment purposes included loan proceeds, SBDC support, audit fees, building maintenance, website hosting, and typical monthly expenses. The largest check was for a cashier's check for a loan closing of \$600,000. Marilyn Ward made a motion to ratify the bills and approve the financial report for filing. Steve Burgess seconded the motion, which passed unanimously.

Business Loan Requests

There were no loan applications brought before the board for approval at this meeting.

Housing Loan Requests

PDC Administrator Candace Payne had no loan applications to be approved at this time.

Note: Only loans exceeding the \$25,000 lending limit established for the PDC Administrator are brought before the board for approval. Loans below the lending limit are staff approved and ratified by Loan Committee.

Potential Loan Activity

PDC Administrator Candace Payne reported there are two business loans and three housing loans in the works. Potential business loans located in Lincoln and Elbert counties total \$250,000 in CDBG funds and up to \$20,000 for housing.

Community Development Block Grant

PDC Administrator Candace Payne gave an update regarding the CDBG contract. Loan assistance balance equals \$225,000 and administrative fees total \$36,000 for a grand total of \$261,000 available through November 30, 2020. The Coronavirus funds of \$80,874 are available until December 2020 for loan funds (no admin fees). A time extension for two more years to expend these funds might be needed. If the PDC board and East Central Council of Governments board feel an increase in funds is needed, Lincoln County commission could request the amendment prior to November 30, 2020 to avoid the lengthy application process. The state office says funds are available. If such an amendment is warranted, PDC Administrator Candace Payne will follow up with the two boards to make this request for time extension or increase in funds.

Statewide Collaborative BLF Report

This fund is also called the Colorado Micro-enterprise Program. PDC Administrator Candace Payne reported a balance of \$13,400 is available to lend. These funds are only available until December 31st and any loans made with these funds carry less restrictions than CDBG or other funds. Any region who has not used their allotment by October 1st will be asked to de-obligate them bank into the high demand fund so other regions could access them so the money is expended before year end.

Energize Colorado Gap Fund

Details of the Energize Colorado Gap Fund were provided by PDC Administrator Candace Payne. The grant portion will earn the approving entity (PDC) a 3% admin fee of the amount awarded. No dollars have been allocated yet to the regions but will be based on the number of applications received for the state. The fund managers expect four rounds of funding to be expended before the end of 2020. Working with Colorado Housing and Finance Authority (CHFA), PDC will provide review and approval for applications for \$15,000 grants or \$20,000 loans or a combined maximum total of \$35,000 for both. Loan terms proposed will be a term of up to 36 months for up to \$20,000 at 1.5% for the last 24 months. There are no payments and no interest in the first four months, but interest will be assessed in later months and payments start in month five and continue through thirty-six. The loan may be collateralized or not. A second review and scoring partner is needed to meet guidelines. The board would like staff to handle that second review internally. Dorothy Stone made a motion that PDC participate in the ECGF program to cover the four counties. Steve Burgess seconded the motion. Motion passes unanimously. Application portal should be available in August.

SBDC Update – Quarterly Report from Lisa Hudson

PDC Administrator Candace Payne shared the report from Lisa Hudson, Greeley SBDC director. Activities in the region as conducted by Troy McCue and Craig Curl in Lincoln and Elbert Counties, respectively, were reviewed. New counselor, Sammy Lee, was hired to cover Kit Carson and Cheyenne counties but so far, no activity has been reported to our office on Ms. Lee's engagement with businesses. All counseling is done remotely and most requests are for business startup services/acquisitions. Working with clients on COVID-19 loans was the largest effort by the SBDC counselors this quarter. Capital formation was shown to be \$3,559,330 which could be attributed to one client in our region. PDC contributed \$2,500 year to date for services covering Elbert and Lincoln counties year to date.

PDC Scholarship

Of the two PDC scholarship applications awarded this year, only one has enrolled in classes for fall 2020. The scholarships will be paid in fall or winter semester with the proper documentation of the qualified expense. There were no alternate recipients this year.

128 Colorado Ave building –

Bids for repairs on the office building are slowly coming in for the deck, exterior and window repairs reported PDC Administrator Candace Payne. Contractors are busy and have committed to projects with more pressing repairs. The rain gutters are installed to prevent more foundation damage. The estimate for the deck power cleaning and sealing exceeded \$4,000 so other bids are being considered. The exterior front stucco repair came in at \$26,706 for the whole façade or \$12,166 for the lower portion. Windows with wood and aluminum frames are being bid also. Weather proofed front doors would be our own out of pocket expense, but they would help improve energy efficiency as two wooden doors are warped and should be done with the stucco work to prevent other cosmetic or sealing issues. Work will continue to obtain bids and get the repairs done. Funds to cover repairs beyond the hail damage would require a board vote to move funds from business assistance to operating costs. That amount or need will be determined at a later time.

Other

No other items brought forth.

Next meeting

The next meeting date selected was October 21 in Limon or as a teleconference to start at 5:00 PM with Loan Committee followed by dinner and the regular board meeting at 7:00PM. Subject to change due to COVID-19 restrictions.

Adjournment

Chairman Ed Rarick adjourned the meeting at 8:25 PM.