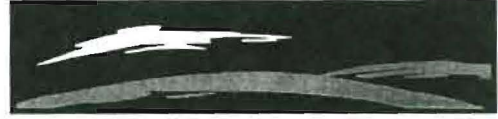


# PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



**PRAIRIE DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING MINUTES  
February 23, 2011**

## **Call to Order**

PDC Chairman, Dana Siekman called the meeting of the Prairie Development Corporation Board of Directors to order at 7:30 p.m. at the First National Bank of Hugo in Limon. Board Members present included Dorothy Stone, Myron Sams, Jerry Allen, Craig Curl, Ed Rarick, Robert Safranek. Rol Hudler was unable to attend. Also present were Maryjo Downey, PDC Administrator, and Candace Payne, Special Projects Director. Dana welcomed Robert Safranek and Jerry Allen as new members. Jo reminded the Board that this was the first meeting of the “new” Board as all members had just been appointed or reappointed for two year terms. She also stated that the Board was currently one member short as Cheyenne County still needed to appoint an additional member. Each county appoints two members and the East Central Council of Local Governments appoints the ninth “at-large” member. Dana then welcomed Candace Payne who began work for ECCOG/PDC on January 3. Candace replaces Terry Blevins who retired at the end of the year. She works 80% time and is also a contract consultant for the Small Business Development Center.

## **Election of Officers for 2011-2012**

Dana Siekman asked for nomination for the officers for the PDC Board of Directors for the next two years. Dorothy Stone made a motion that the existing officers be retained for another two years. The motion was seconded by Craig Craig and was carried unanimously. Dana Siekman will therefore continue as Chairman and Ed Rarick will continue to serve as Vice-Chairman. Dorothy Stone will be the Secretary-Treasurer.

## **Approval of Minutes**

Board members proceeded with review of the Minutes of the December 1, 2010 meeting. Myron Sams moved the December 1, 2010 Meeting Minutes be approved as submitted; Jerry Allen seconded the motion, which carried unanimously.

## **Financial report**

Jo Downey presented the list of bills paid from December 2nd through January 31<sup>st</sup> totaling \$59,072.85. A financial report for each fund balance at the end of November was also distributed. Financial reports for the months of December and January will be mailed next week as they are still being completed. Jo said that the books would now be overseen by the ECCOG Chief Account/Financial Officer. They had been contracted for the past two years to the previous ECCOG Accountant. Jerry Allen moved that the Board accept the financial reports and ratify payment of the listed bills. Craig Curl seconded the motion, which carried unanimously.

### **Business Loan Recommendations**

A loan for \$250,000 to a business located in Kit Carson County had been reviewed in detail in the Loan Committee Meeting held earlier. The Loan Committee recommended to the Prairie Development Board of Directors that the loan be approved for that amount for 10 years at 5.25% with a 1% origination fee. Personal guarantees would be required and PDC would take a third position on all real estate, equipment, furniture and fixtures. A minimum of 13 new FTE jobs would need to be created with a minimum of 51% to be filled by persons meeting low-to-moderate income criteria. PDC's approval would then allow the loan package to be forwarded to the Governor's Office of Economic Development and International Trade for review and potential approval by their Financial Review Committee. A motion was made by Robert Safranek to approve this loan as recommended by the Loan Committee and to then forward it to OEDIT. Ed Rarick seconded the motion which carried unanimously.

### **Housing Loan Recommendations**

There were no housing loan recommendations to come before the Board.

### **2011 Enterprise Zone and 2011 Colorado Tourism Marketing Grants**

Jo Downey reported the East Central Council of Local Governments will receive the annual \$25,000 Enterprise Zone Marketing grant from the Governor's Office of Economic Development. This grant, along with \$25,000 in local matching funds from the local governments, ECCOG and Prairie Development Corporation funds, will be used to market the Enterprise Zone Tax credit program and for overall economic development marketing (including the Our Journey, Off the Beaten Trail and other heritage tourism efforts). However, the percentage of the grant allowed for the various functions would be capped. Administrative costs could go to 30% (rather than the 25% cap of previous years) due to the complexities of educating tax preparers and tax payers on the legislative changes coming in 2012 including the need for per-certifications beginning January 1, 2012. Marketing of the business tax credits for business location or expansion (non-tourism) must be at least 35%. EZ Tourism/events could be up to 65% IF none of the funds are used for administration...if the entire administrative amount is used, then tourism would be restricted to 35%. The EZ grant would not be effective until April 1 as the current contract was extended three months to try and stretch 2010 resources to help with 2011 needs since budget cuts at the State were announced last fall.

The 2011 Colorado Tourism Board Regional Marketing Grant contract will be for \$8500 (rather than \$8000 as previously reported) with a match of the same amount. The contract/purchase order is now in place with ECCOG. The budget will be used to market this region's heritage tourism sites and events using banner ads on the internet and for public relations services for general tourism promotion that cannot be charged against Enterprise Zone marketing funds. None of the funds will be used to defray administrative costs.

### **Limon Houses Sales Status/Next Purchase(s)**

Jo stated the houses had now been listed with Hawthorne Realty in Limon. Neither house has received an offer but there is strong interest in the one on D Avenue. However, the interested buyer is not income eligible and PDC has been in contact with the Colorado Division of Housing to see what could be done that might enable this buyer to purchase that home, should he want to make an offer. Downey said that DOH was being very supportive of this request.

### **Home Sweet Prairies Project**

Jo Downey stated that after weeks of delays, the resulting website for this project which promotes the benefits of living on Colorado's Central Plains is ready to be reviewed by the area realtors. The website will have links to local real estate firm websites (of licensed firms that maintain physical offices within the region), and each participating firm will be able to list a "featured home of the month." Contacts will be made with the realtors in March with proposed launching and marketing of the site to take place in April.

### **PDC "Real Estate" Update**

All PDC rental units are occupied, according to Jo Downey, and the rent payments are current on all of them.

### **CDBG Blight Application Status**

Jo Downey said the state has said that the East Central Council of Governments can move forward with an application for \$500,000 in Community Development Block Grant funds for blight removal within commercially zoned areas in the region. As Lincoln County would be the lead applicant for an additional CDBG grant for capital for the Business Loan Fund, Jo said she had talked with the Commissioners regarding undertaking one application for both purposes...with two different fund justifications. If awarded a contract, the Blight project would be granted funds only on a project by project basis. The Stratton "junkyard" project (which was used as a pilot for the principal concept of Blight removal) was complex and the environmental issues that would have to be addressed because of CDBG fund usage would be even greater than those that challenged the Stratton project. Jo said she would contact the Colorado Brownfields Foundation and set up another meeting to discuss how best to go forward and would meet with the Lincoln County Commissioners within the next few weeks.

### **Stratton Office Concrete Repair Status**

Little has changed on this since the last meeting. Jo Downey said drainage issues on the west side of the PDC office building in Stratton were repaired. However, work on the east side (front) of the building is still on hold...originally because of the contractor's schedule and now due to colder temperatures.

### **Enterprise Zone Tax Credit Summary/Update**

Copies of the summary of Enterprise Zone Credits claimed within the four-county area during 2010 had been previously mailed. Downey briefly discussed the credits and the proposed changes in how the credits are administered (including the requirement of pre-certification) beginning January 1, 2012. A copy of the summary of the credits is attached to the official file copy of these minutes.

**Loan Activity Status**

Jo Downey said there continues to be inquiries and calls to PDC regarding a business's need to refinance an existing loans or wanting grant funds...neither of which PDC can do. There is potential for loans to one or more businesses that are currently working with the SBDC consultants.

**SBDC Consulting Services**

Jo Downey said there were now regular office hours set up in each of the four counties for a consultant from the Small Business Development Center to meet with businesses. All space had been donated. PDC is contributing \$5000 annually per county to help match the SBDC grant from the University of Northern Colorado so that services could be provided locally rather than businesses having to travel so far to meet with the SBDC. A copy of the Counseling Schedule was distributed and is also attached to the official file copy of these minutes. Craig Curl is a part-time consultant for the SBDC as is Candace Payne. Both Craig and Candace made brief comments about their experiences to date.

**Next Meeting Date/Location**

The next regularly scheduled meeting of the PDC Board of Directors will be Wednesday, May 25, 2011 in Limon at the First National Bank of Hugo.

**Adjournment**

There being no other business, Dan Siekman declared the meeting adjourned at 8:45 p.m.