

PRAIRIE DEVELOPMENT CORPORATION

COLORADO'S CENTRAL PLAINS



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PRAIRIE DEVELOPMENT CORPORATION BOARD MEETING MINUTES May 25, 2011

Call to Order

Chairman Dana Siekman called the Prairie Development Corporation board meeting to order at 7:02 p.m. at First National Bank of Hugo in Limon, CO. Members in attendance were: Jerry Allen, Rol Hudler, Ed Rarick, Robert Safranek, Myron Sams, Dorothy Stone. Other attendees included Maryjo Downey, PDC Administrator; Candace Payne, Special Projects Director. Member Craig Curl was absent. Public audience included Del Beattie of Limon.

Minutes

Minutes of the meeting held February 23, 2011, were presented for approval. After review, a motion for approval was made by Myron Sams and seconded by Ed Rarick. The motion passed unanimously.

Financial Report

Jo Downey explained that the recent power outage prevented the printing of some reports normally submitted in detail. Therefore, the Board reviewed a list of bills for February, March, and April totaling \$42,567.72 along with the financial reports for February and March. April's financial report may be available by calling the office. Rol Hudler made a motion to accept the reports for filing and ratify the bills paid. Jerry Allen seconded the motion, which passed.

2010 Audit Presentation

Lori Hendrick of May Jackson Hendrick, LLC presented the 2010 Draft Audit for the Prairie Development Corporation. Copies of the Draft Audit were previously sent electronically to all Board members. Printed copies were distributed. Discussion followed including the journal entries. A motion was made by Ed Rarick to accept the 2010 audit as presented; seconded by Myron Sams. The motion carried unanimously. A copy of the final audit is included with the official file copy of these minutes. An electronic copy of the final audit report will be sent to PDC to use in providing the audit to respective State and Federal granting agencies.

Business Loan Recommendations

There are no new loan requests since the meeting held on April 8th.

Housing Recommendations

None presented at this time.

2011 CTB Marketing Grant/Our Journey & OBT Updates

The Our Journey Program is now complete. Staff reported on the project and the revised and new additions for the Our Journey "kit" for 2011. In addition to changing the ticket (Saddleland Museum in Simla has been added) and the Dear Explorer letter, the antiques guide was updated and modified. Last year, a customized carabineer was given out at each museum when an Our Journey ticket was presented. This year a small flexible (3" by 3") magnet representing each of the fourteen museums will be available for distribution. As the minimum order for each was 500 pieces, each museum will be given the flexibility of how to best use any leftover magnets. Three new museum inserts (supported by partial funding from the Lincoln County Tourism Board and the Enterprise Zone Marketing Grant) have been designed. The three additions are the Genoa Tower, the Arriba Museum and the Grampa Jerry's Clown Museum. Danielle Dascalos will continue providing public relations service to promote the Our Journey and Off the Beaten

Trail for 2011. Jo Downey said that she recently appeared on *Colorado and Company* to promote the 2011 season. From that appearance, over 130 packets were mailed out. Future appearances are scheduled which are designed to boost the museums patronage. Danielle would like to feature other events in our area. Rol Hudler mentioned the 60th anniversary of Jim Gernhart's funeral (aka the "living corpse") in Burlington on June 4th.as such an event. Michael Martin Murphy is also coming back to Burlington on June 4th for a concert in Old Town's barn preceded by a trail ride.

2011 EZ Marketing Grant

Jo reported this grant has a fifty percent match on \$25,000. Up to 35% of the funds may be spent on heritage tourism. Up to 30 percent may be spent on administration....but a minimum of 35% must be spent on direct marketing of the Enterprise Zone credit. If less is spent on administration, that amount can then be spent on either of the two other categories. Terry Blevins is working on a DVD of the use and pre-certification requirements of the business credits. It will be distributed to chambers of commerce, ED organizations and to tax preparers doing business within the region.

Limon House Status

Candace Payne spoke with the real estate agent Alice Harreld about the two properties who suggested price reductions on both properties. Alice shared most of the foreclosures are now off the market and believes we should consider a price reduction to move these properties before more foreclosures are available. Alice recommended the 689.5 D Avenue home's price be reduced from \$110,000 to \$99,900 while the 741 F Avenue home's price be reduced from \$77,000 to \$67,000. Some board members drove past the properties before the meeting and noticed there were no flyers in the sign rack. After discussion, the recommended price reductions were agreed on. Candace will contact the realtor to amend the paperwork and to discuss the flyer situation.

Home Sweet Prairies

Steps have now been taken to obtain the final information for the www.homesweetprairies.com site. A "going live" date will be determined. Staff will be working with Danielle Dascalos to determine the best ways to market the site. The web company that developed the site will also monitor it and be responsible for changing the photos of the featured home from each of the realtors on a twice monthly basis.

Prairie "Real Estate" Update

Jo reported that the current renter had moved out of the smaller apartment above the PDC office and the space has now been filled. Rent charges are \$550 for the 3 bedroom apartment and \$450 for the 2 bedroom. At this time, the decision was made to leave the charges at the current price as the tenants are compatible to our needs.

CDBG Blight Application/CDBG Loan Funds Contract Extension/Addition

The Lincoln County Commissioners recently passed a resolution to apply for \$320,000 in additional loan capital funds through a Community Development Block Grant from the Governor's Office of Economic Development and International Trade (OEDIT). The funds would be split into \$20,000 for administrative costs and \$300,000 for business loans. Lincoln County entered into an intergovernmental agreement with the other three counties so that the funds can be loaned to new or expanding businesses throughout the region. The grant/program/loans will be administered jointly by the Prairie Development Corporation and the East Central Council of Governments through a sub-contract. The current Business Loan Program contract expires on January 31, 2012. It cannot be closed out until each of the businesses that was loaned funds have the jobs created or retained that each respective business committed to. Jo said that it could take through the end of the grant period for the job creation to be in place. Jo received word today that the request was approved by OEDIT. Downey also reported that the concept of submitting the new application for both additional loan capital and for CDBG funds for blight renewal was no longer feasible as the State of Colorado received a significant cut in CDBG funds. Their staff has been advised that funding for any new programs is not feasible at this time so the Blight Removal Program grant is on hold.

Stratton Office Concrete Repair Status/Plumbing

Jo reported the sidewalk concrete work has been completed in the front of the Stratton office. Recent sewer problems have caused an increase in expenses. Jo presented the bills to Stratton's mayor for reimbursement as many of the issues seem to be caused by a lack of knowledge of the location of the pipes and directional flow. We have added a drain clean out that was supposed to help. There has not been an answer from Stratton's town council as of today.

SBDC Counseling Update

Candace Payne shared that many people want help writing business plans, which is the first step in the counseling process for many. She has three clients in Cheyenne Wells, four in Burlington, one in Stratton and one in Flagler. There many requests for help but the required paperwork has not been submitted to start counseling. The Lincoln County is covered by Pat Vice and Craig Curl services Elbert County. Jo and Dick Pickett recently discussed the 2012 funding for the position. PDC supported the position with \$5,000 from each county for 2011. Limon is hosting Leading Edge classes starting in May for those interested.

Loan Activity Status

There are no new business loan applications nearing completion. Several inquiries have been received but many are not ready for financing and are referred to the SBDC for assistance in preparation of a business plan. Several housing projects are waiting on contractors to submit bids for the needed work. Robert Safranek suggested a couple contractors in his area might be available.

Next Meeting Date/Location

Ed Rarick offered to host the August 24th meeting at High Plains Bank in Flagler at 7 p.m. which will be preceded by Loan Committee at 5 p.m.

Dana Siekman declared the meeting adjourned at 8:34 p.m.