

Draft Minutes
Swift County RDA Board Special Meeting
Tuesday, December 23, 2008 @ RDA Office and via phone bridge

Members Present: Ann Delgehausen, Pete Peterson
Via phone bridge: Dorothy Rosemeier,
Mike Defoe, and Paul Kittleson

Members Absent: Ed Ulmaniec, Eric Rudningen, Belinda Sanders (must
abstain due to participation)

Staff Present: Jennifer Gruis

Others Present: None

100 Decision Item – Ron Carlson Loan Adjustment

Background: On 12/13/08 the RDA and Benson EDA loan committees met jointly to discuss a loan for Ron Carlson. At the RDA's regular meeting following, the RDA Board agreed to recommend a loan for approval for an amount between \$26,000 and \$39,000 at 4% for 7 year with a 1st position "cash money" on the equipment as collateral.

The varying total dollar amounts were due to questionable participation by the 6W RDC RLF. Originally structured to be a \$78,000 loan split three-ways between RDA, Benson EDA and RDC, the RDC did not think they could meet a timeline of within 30 days due to their federal EDA guidelines.

Following the Swift County Board meeting where two commissioners who are also on the RDC board voted against the Ron Carlson loan, RDA staff sought out other funding options including additional leasing companies and the Coop Credit Union. (Even if RDC could meet the timeline it appeared unlikely to RDA staff that the RDC Board would fund the loan when the two representatives from Swift County voted against it at their regular meeting). After additional leasing company denials, the Coop Credit Union determined they could participate as a lender with a first position on the equipment.

Decision item: After restructuring the loan to incorporate the Credit Union, will the RDA approve the loan for \$25,000 for 7 years at 4% with a shared 2nd on the equipment?

Following discussion with Board members regarding the events leading up to this request and merits of the application. **Motion** was made by Ann, second by Pete to Approve the loan at the stated terms.

