

Harding County Economic & Community Development Corporation

Regular Meeting - Tuesday— April 21, 2009—6:00 pm—Roy

MINUTES

Blair Clavel called the meeting to order at 6:10 pm. Officers and members in attendance were: Mary Libby Campbell, Blair Clavel, Esther Mitchell, Sandy Ray, Carla Esquibel, Jerry Porterfield for Bobby Casados. Others in attendance were Dave Schell, Jan Bradburn, Tony Gonzales, Donna Milson, Keith Tucker and son.

Jerry Porterfield moved to approve the agenda, a second by Esther Mitchell. The agenda was approved.

The minutes of the March meeting, previously emailed to members, were reviewed. Corrections were made. Jerry Porterfield moved to approve the minutes and Esther Mitchell seconded the motion. The motion passed and minutes were approved as corrected.

The treasurer's report was presented. Total in account is \$42,608.87. Esther Mitchell moved to accept the treasurer's report, second by Sandy Ray. The motion passed .

Committee Reports followed.

1. Amigos Bravos-Mary reported that Amigos Bravos is requesting donations and there will be an email push for donations. It is hoped that Amigos Brave will sign up with Ogallala Commons. A workshop is planned on renewable energy and leadership by Ogallala Commons.

Old Business:

1. Mesa Theater – A copy of a letter from the Roy Village Council releasing the village as fiscal agent of the Mesa Theater project has been sent to DFA. The funds for the theater were lost and went to Bernalillo County.
2. USDA Building -
 - a. Appraisal – Sandy Ray reported that she spoke with Tye Terrell about an appraisal of the USDA building. He is no longer an appraiser and suggested Bill Cantrell, who has been contacted previously. Mr. Tucker suggested that the group contact Corrine Ledger in Las Vegas, for suggested appraisers.
 - b. Bids are needed to finish work on the USDA Building. There is a balance of \$4000 which needs to be spent by June 1, 2009. Barbara Shaw needs to be contacted for necessary requirements for expenditures. Suggestions for work to be done were sidewalks on the east and porches for protection from the weather. Three bids are not needed so work can be contracted and paid for after submitting an invoice. Blair Clavel will find out what qualifies.

New Business

1. Keith Tucker – Mr. Tucker, President of Community First Bank, informed the group of the happenings of the San Miguel EDC, potential problems, as well as positive results of revolving loan programs. As a banker, he has dissuaded the San Miguel group from being involved in revolving loan funds. Interest rates are so low that the participation of an EDC is questioned. Should an economic group get involved in a revolving loan fund all members are "on the hook" or responsible parties. Recently the San Miguel EDC tabled the revolving loan plan for one year. USDA loans are available at 1% interest. It is a possibility to take advantage of such loans and collect interest on principal, over and above lending rate of a bank loan. Free money is also available through grants, USDA, and SBA. A combination of

“free” money plus a bank loan can provide funding needed for start-up businesses. It should be understood that most start-up businesses will have a higher interest rate when applying for a bank loan. In contrast established entities will have a lower interest rate. EDCs can also utilize a combination of funding sources, and partner with a bank to underwrite a loan and lend at a higher interest rate. Sustainability is the key. An EDC board could be utilized to vouch for viability of a loan.

County commissioners do not have to be involved in the lending process. Presently, the county ordinance binds the EDC board to strict adherence of qualifying entities. An EDC could theoretically borrow \$100,000 at 1% with no collateral through a local bank. The board members would be liable. Mr. Tucker encouraged the EDC to find sustainable funding and utilize creativity in raising funds. Resources are available. One such resource is the Eastern NM Economic Development Alliance. Dues are \$2500. The San Miguel EDC recently joined the alliance which should prove to be a positive resource in funding and economic development. Each EDC could be utilized when the question of businesses being viable entities arises. Clients could be encouraged to develop and dedicate resources and assets to a well-formulated business plan, directed to a local bank, or referred to specialists in order to reach business goals.

Local bank employee, Ernesto Salazar, is an expert in funding with EDCs. Blair Clavel will invite Ernesto to our next regular meeting.

There was no public input. Blair Clavel moved that the meeting be adjourned, seconded by Carla Esquibel. The meeting adjourned.

The next regular meeting of the HCECDC will be **May 26, 2009**.

Submitted by Sandy Ray
April 22, 2009