

Big Sky EDA/EDC Joint Executive Committee Meeting Minutes
June 3rd, 2020 – 7:30 A.M. to 9:15 A.M.
Yellowstone Conference Room and Zoom Teleconference Call

BIG SKY ED Mission Statement: - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, **Big Sky Economic Development** provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.

Committee Members Present: **EDA** – Robin Rude, Paul Neutgens, Greg McDonald, Ken Lutton, Judi Powers
EDC – Mike Seppala, Mike Nelson, Ann Kosempa, Mac Fogelsong, Steve Loveless

Committee Members Absent: **EDA** – None
EDC – None

Staff and Others Present: Steve Arveschoug, Melanie Schwarz, Austin Trunkle, Becky Rogers, Dianne Lehm, Shanna Zier, Brandon Berger, Dena Johnson, Sherry O'Donnell, Lorene Hintz, Kayla Vokral, Thom MacLean, Jo Ann Jones, Evelyn Pyburn

Call to Order:
Mike Seppala, EDC Chair, called the meeting to order at 7:31 A.M.

Agenda Changes for Today's Meeting:
None

Public Comment/Introductions
None

Agenda:

Approval of the April EDA/EDC Executive Committee Minutes

Motion: Ken Lutton to approve, the May 2020 Executive Committee Minutes, as presented to the Executive Committee.
Second: Paul Neutgens
Discussion: None
Motion: Carried

Approval of April EDA/EDC Financials – Shanna

Shanna reviewed the EDA balance sheet current assets has increased along with accounts receivable. Shanna mentioned that we had a final draw on the Coal Board grant for MSUB.

On the Statement of Revenues and Expenses, Shanna noted the reimbursements for VBOC, SBDC, and PTAC. Salaries and wages expense remains a bit over budget due to the PTAC situation that has been discussed over the past months, as well as the vacation and sick leave pay-outs to longtime employees.

On the EDC, Shanna began with the balance sheet and highlighted the outstanding pledges for the Member Investor Program, CTE funding, and the Healthcare Summit.

Shanna also highlighted both the Origination and Servicing Revenue from the 504 Loan Program with both remaining above budget projections. Steve asked questions related to our event expenses for April and Greg asked

about receivables for the Member Investor Program. Melanie went on to further explain the situation related to the MI Revenues.

Motion: Ken Lutton to approve and forward to the Board, the April 2020 EDA/EDC Financials, as presented to the Executive Committee.

Second: Robin Rude

Discussion: None

Motion: Carried

Proposed Preliminary FY 2021 EDA and EDC Budgets – Shanna

Shanna showed pie charts that break out the expenses and revenues for each program. The considerations made while projecting the budget included a minimal Mill Levy increase and an overall conservative approach to spending. As a side note, the Management Services Agreement will remain in effect until next year and will not need an update at this time.

Deanna gave an update about the Bozeman PTAC situation. Bozeman leaders are reconsidering funding a Bozeman center. A final decision should be made on June 5th and Deanna has asked the DLA to hold-off on de-obligating the funds for that center until then.

Shanna also addressed the addition of a temporary staff member for the SBDC team.

Beartooth RC&D has begun discussions with BSED concerning additional funds they have received. Beartooth is a regional CRDC and Yellowstone County falls within their service region. Beartooth received additional funding and wants to work in conjunction with us to figure out how to best use those dollars.

Shanna continued by mentioning the reinvestment strategy for the SBA 504 Loan Program. The aim is that we are reinvesting net proceeds in business development in the community.

The action will be for the Committee to forward this draft to the full Board.

Motion: Mike Nelson to approve and forward to the Board, the Proposed Preliminary FY 2021 Budgets for the EDA and EDC, as presented to the Executive Committee.

Second: Ann Kosempa

Discussion: Above

Motion: Carried

Executive Director's Report – Steve

Yellowstone County Economic Response and Recovery Team – Plan Outline

Steve shared the Recovery Plan Outline that has been put together by the Response and Recovery Team. The three pillars are Response and Stabilization, Business Recovery, and Building Economic and Community Resiliency. Each pillar is broken out further with actionable steps and goals. Mike N, Mike S, and Ken L all serve on that team.

With more money being made available at the state level, Steve updated the Committee on the status of those dollars and subsequent applications made to receive them.

MEDA Next Generation Economic Development Tools Project

Steve went on to give a MEDA update and briefly reviewed the draft plan from TIP Strategies. The final plan should be finished this month and plans for an implementation workshop in mid-July.

Outline of Strategic Priorities

Steve then shared the draft Strategic Priorities which are as follows:

- A. Implementation of Economic Recovery Plan—all about BRE, x2 on business support services and the fundamentals
- B. Build a Shared Economic and Community Development Vision
- C. Ready (re-position) the Community to Seize Opportunities for Growth
- D. Provide Leadership at the State-Level for New Tools

Steve also presented his Executive Director's Focus.

Finally, Steve shared a letter from Bill Kennedy of the MSUB Foundation to consider an Opportunity Fund Contribution to the renovation of their aquatic center.

Motion: Ken Lutton to approve and forward to the Board, the FY 2021 Strategic Priorities, as presented to the Executive Committee.

Second: Greg McDonald

Discussion: None

Motion: Carried

Program Directors/Leaders' Updates

BSED's IRT COVID-19 Response Update – Melanie

Melanie shared an update from the IRT and requested the Executive Committee consider approving an application to the Federal EDA for additional funds to lend. The other ask of the Committee is to move additional dollars in to the RLF from the SSBCI fund.

Brandon continued on explaining the requests and fielding questions from Committee Members. Brandon discussed the capacity of his team to lend out these dollars and any challenges that may lie ahead with.

Motion: Ken Lutton to approve and forward to the Board, the application to the EDA for additional RLF funds and the transfer of SSBCI dollars to the RLF, as presented to the Executive Committee.

Second: Greg McDonald

Discussion: None

Motion: Carried

Stabilization Loan Program Update – Brandon

Brandon is recommending that borrowers be allowed to amend their note so it is amortized over three years. This would be offered on a case by case basis. Brandon is also asking to make the funds available to those who haven't applied for a disaster loan. The first amendment to the program eliminates the need to pay the note back immediately upon receipt of the disaster loan.

Motion: Steve Loveless to approve and forward to the Board, the amendments to the Loan Stabilization Program, as presented to the Executive Committee.

Second: Mac Fogelson

Discussion: None

Motion: Carried

Operations: Big Sky to Sky Point Project – Becky

Becky updated the Committee about the RFQ submissions received. The following firms responded with submissions: A&E Architects, Schutz Foss, High Plains, Cushing Terrell, and Collaborative Design. The selection committee will be scoring the proposals and follow-up interviews will be scheduled in the coming days.

Phase II Public Health Guidelines for BSED Operations – Becky

Becky consulted with John Felton about our phased approach to returning to the office. We reopened our doors to the public on June 1st and staff remains to work both in-house and remotely in staggered schedules until August 1st, when the full staff will return to the office.

Becky went on to ask the Committee Members what their preference was regarding meeting in person or via Zoom. The Committee Members offered their opinions on the meetings and our proposed date of bringing staff back in full time.

Member Investor Program 2020 Growth Strategy Update - Melanie

Melanie gave a very brief Member Investor update and mentioned that her and Shanna were reviewing the accounts receivables to see what they may or may not need to write off as uncollectible.

Community Development Projects Update – CD Team

Dianne noted that we have had another draw request on the Coal Board Grant for MSUB.

TEDD Update – Dianne

Dianne is hopeful that a resolution can be reached with regard to the Lockwood Water and Sewer agreement with the City of Billings.

Coulson Park Update – Patrick

Patrick noted that the Coulson Park Masterplan was approved unanimously by City Council and now begins the fundraising efforts for the park. There is a \$250,000 matching grant available to begin the first phase of the Masterplan but the funds must be raised quickly.

Executive Session: Called at 9:16am to review the results of Steve’s performance evaluation.

At 9:38am, Mike ended the Executive Session and called the meeting back to order. Mike briefly discussed the purpose of the executive session and reported out that Steve’s evaluation was satisfactory and commended his work as the Executive Director.

Public Comment:

None

Mike adjourned the meeting at 9:40am

Next Meeting – July 1st, 2020