



TO: Mayor Tom Ross
Members of the City Council

FROM: David Lakefield, Finance Director

DATE: January 16, 2024

SUBJECT: EXTEND MAGIC FUND GRANT TO SOURIS BASIN PLANNING COUNCIL TO FUND THE BUSINESS ACCELERATOR FUND

I. RECOMMENDED ACTION

- a) Approve Staff to draft an amendment to extend the agreement with Souris Basin Planning Council to fund the Business Accelerator Fund until June 30, 2024.
- b) Authorize the Mayor and Clerk to sign the agreement

II. DEPARTMENT CONTACT PERSONS

David Lakefield 701-857-4774

III. DESCRIPTION

A. Background

A request from Souris Basin Planning Council for funding from the Magic Fund to establish a revolving loan fund was approved at the May 20, 2019 Council meeting. The agreement authorized funding of \$500,000 in 2019 and \$500,000 in 2020. That agreement was later extended to December 31, 2022. The MAGIC Fund awarded a grant of \$780,000 to SBPC on April 22, 2022 and \$805,000 on March 20, 2023 to further capitalize the fund.

The latest funding requests expired 12/31/2023. There are funds remaining to be disbursed with six loans scheduled to close late January/early February 2024. Extending the agreement until June 30, 2024 will allow these loans to close in a timely manner and allow both parties to draft any new agreements that may be required under the newly modified MAGIC Fund guidelines.

B. Proposed Project

This extension will accommodate the closing of loans that have been in process..

C. Consultant Selection

This is a continuation of an ongoing project.

IV. IMPACT:

A. Strategic Impact:

This award will allow SBPC to continue their Business Accelerator Fund Project.

B. Service/Delivery Impact:

This revolving loan fund is used as the local match for the Bank of ND PACE and Flex PACE loan programs. This project leverages other funding sources to encourage investment in businesses in the Minot area.

C. Fiscal Impact:

Project Funding

V. ALTERNATIVES

The request could be denied.

VI. TIME CONSTRAINTS

ASAP

VII. CITY COUNCIL ASPIRATIONS

This award promotes the City Council Aspirations of Dynamic and Prosperous as well as Resilient and Prepared.

VIII. LIST OF ATTACHMENTS

1. Original Agreement.