

WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) F



Date: _____ 10/01/2015 _____

Weekly Agenda Date: 10/6/2015 _____

DEPARTMENT HEAD / CITIZEN: Supervisor Smith

SUBJECT: Reasons to consider rescinding the decision to end the Invest in Woodbury County Loan Program

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

WORDING FOR AGENDA ITEM: Information on Reasons to consider rescinding the decision to end the Invest in Woodbury County Loan Program

EXECUTIVE SUMMARY. While there may be a philosophical difference of opinion as to the merits of the loan program, there are several glaring reasons as to why the decision to end the rural loan program needs to be rescinded.

A commitment to fund this program for \$400,000 was made through resolution during the 2014-2015 budget cycle. Supervisors had ample opportunity to express concerns about this program during that process and NOT ONE concern was voiced by any supervisor. This is a tool that was placed in the toolbox of Woodbury County's Economic Development director and it is simply unfair to remove it midyear.

- The current Board made a verbal commitment to the citizens of Woodbury County to be transparent and to allow 1-2 board meetings to discuss an item prior to action. What happened to this commitment? Accusations of illegal deliberation have surfaced.
- There was not ample notice given to loan applicants that this program was to be gutted. Three applicants were in the preliminary stages and one applicant was near the end of the process. The applicants were not given time to craft an exit plan from the loan process and to develop other financing strategies/options. Possible litigation could result from the County's failure to uphold commitments.

- During the Cushing town hall meeting and the Board meeting on 9/29/2015 disparaging comments were made by some Board members about the individuals that voiced their opposition to end the loan program. No person should ever be publically chastised for exercising their right as a citizen to disagree with the leaders that have been elected to serve them. How customer friendly is that?
- Also alarming, are the accusations that loan promises have been made all over the county. Where is the evidence to support such a claim? Isn't the process that was set up (by a previous board) just being followed?
- This loan program is taking hold. While using the statistic of 4 loans in 5 years is true, it is also misleading. This loan program has been promoted and massaged for approximately 1 ½ years.
- Since the abrupt end to the Investing in Woodbury County Loan program, the Board has received a letter signed by all but one of the rural mayors asking us to reinstate the loan program. TRC has asked us to revisit the issue and has taken issue with the manner in which this action occurred. I have received many inquiries and complaints about ending this program.
- In 1988 our rural citizens voted for local option sales tax. Our rural citizens have asked the BOS to restore this fund and are willing to work with the Supervisors to evaluate this program and look at different uses for LOST funds . It is a reasonable approach and should be honored.

BACKGROUND: This program was abruptly discontinued. Ample rural feedback indicates this is a program with widespread support. BOS has received a letter from rural mayors asking the Board to reinstate the loan program. The BOS has received an official statement from Tax Research that requests the Board reconsider termination of the Investing in Woodbury County loan program.

FINANCIAL IMPACT:

RECOMMENDATION: Consider discussion and action at the 10/13/15 Board meeting to rescind the decision to end the Invest in Woodbury County Loan Program. Develop a stakeholders committee to evaluate the loan program and investigate other options for LOST funds.

ACTION REQUIRED:

Approved by Board of Supervisors March 3, 2015.