

2019

Activity Report Executive Summary



GROWTH INITIATIVE FUND (GIF)

2019 Loan Activity

City	GIF Approved	# Approvals	Project Capital	FT Jobs	SQ +FT	BND Grant
Fargo	\$898,000	13	\$17,838,700	127	159,500	\$1,656,195
West Fargo	\$178,000	3	\$3,495,000	16	17,000	\$323,295
Horace	\$263,000	1	\$4,743,000	12	19,000	\$500,000
Casselton	\$23,000	1	\$400,000	-	-	\$38,250
Total	\$1,362,000	18	\$26,476,700	155	195,500	\$2,517,740

Mission

The purpose of Growth Initiative Fund, Inc. (GIF) shall be to promote economic development in Cass County, North Dakota. The GIF shall exist to create and manage financial programs to grow and diversify the economy in Cass County.

History of GIF

The GIF is a revolving loan fund formed in 1993 by GFMEDC and administered by GFMEDC staff. The GIF is structured as a separate non-profit Type 1 Supporting Organization of the GFMEDC. The GIF is governed by seven board directors appointed by GFMEDC, Cass County, City of Fargo and City of West Fargo. The GIF received a large part of its early funding from contributions by the three public entities.

GIF Pilots Early Venture Microloan Program

In 2019, the GIF Board approved the Early Venture Microloan Program, a pilot program designed to address financing challenges of early-stage primary-sector entrepreneurs in Cass County. The aim is to help startups progress to their next stages of revenue and access to other funding sources. The program provides up to \$20,000 in GIF financing, with access to up to an additional \$10,000 in partnership with matching loan funds from North Dakota Development Fund.

A history of helping the economy

Four-Year Growth Trend

2019 continued a four-year trend of strong activity for the GFMEDC's Growth Initiative Fund (GIF). The fund had 18 loan approvals during the year totaling \$1.36 million.

These 18 loans were part of more than \$26.4 million in total expenditures by the borrowers, adding 155 jobs and increasing total square feet by almost 200,000. Through the GIF's participation as the "community" buy-down partner in Bank of North Dakota's PACE and Flex PACE programs, the primary-sector companies can access approximately \$2.5 million in matching state grant funds to offset interest expense.

From 2016 through 2019, the GIF approved 63 loans totaling \$4.7 million and those projects were part of \$122 million in total capital investments made by the expanding companies, a leverage or ratio of \$26 to \$1.

While the primary function of the GIF has been serving as the community portion for the PACE and Flex PACE programs, a portion of the GIF's portfolio is available to provide opportunities to be a flexible direct funding partner for projects aligned with GFMEDC's strategic objectives.

All-Time Historical Loan Activity - by city

City	# Loans	Loan Amount	BND Grant	Jobs	Sq Ft	Capital
Fargo	168	\$10,948,643	\$17,864,510	5,036	3,434,000	\$355,703,000
West Fargo	52	\$2,980,396	\$5,273,766	846	1,307,000	\$134,573,000
Casselton	9	\$512,490	\$978,758	51	76,000	\$11,143,000
Mapleton	4	\$404,907	\$859,046	127	184,000	\$19,021,000
Horace	2	\$181,280	\$346,955	50	69,000	\$5,120,000
Enderlin	1	\$5,600	\$10,634	4	6,000	\$745,000
Kindred	1	\$35,667	\$86,979	3	3,000	\$343,000
Total	237	\$15,068,983	\$25,420,648	6,117	5,079,000	\$526,648,000

2019 Board of Directors

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