

# GFMEDC MANAGED GROWTH INITIATIVE FUND (GIF)

## 2022 ACTIVITY REPORT

As per the Bylaws, 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.

The business activity of GIF is managed and administered by the Greater Fargo Moorhead Economic Development Corporation (GFMEDC). The GIF is a separate non-profit (structured as a Type 1 Supporting Organization of GFMEDC) and the organizational membership is composed of those persons who are at-large directors, agency directors, and community directors of GFMEDC.

The GIF Board consists of seven directors and each is appointed for three-year terms, for a maximum of three terms. These directors are appointed by specific entities with GFMEDC making four appointments and Cass County, City of Fargo and City of West Fargo each making one appointment.



## 2022 BOARD OF DIRECTORS

**GREG MASTRUD, CHAIR** (CITY OF WEST FARGO APPOINTMENT)  
**CHAD SAPA, VICE CHAIR** (GFMEDC APPOINTMENT)  
**MICHELLE SCHUMACHER, SECRETARY** (GFMEDC APPOINTMENT)  
**SHELLY KEGLEY, TREASURER** (GFMEDC APPOINTMENT)  
**HARI PANJINI** (CITY OF FARGO APPOINTMENT)  
**BERNIE SINNER** (CASS COUNTY APPOINTMENT)  
**JOSH TEIGEN** (GFMEDC APPOINTMENT)

**CHIEF ADMINISTRATIVE OFFICER  
JOE RASO, PRESIDENT, GREATER  
FARGO MOORHEAD ECONOMIC  
DEVELOPMENT CORPORATION**

## 2022 ADMINISTRATIVE ACTIVITY

The GIF Board reviews the GIF Policies document on an annual basis, with any revisions coming via a vote of the Board. Policy updates that occurred in 2022 include:

- revising loan portfolio allocation levels (while not necessarily set in stone, setting portfolio levels by individual program will ideally help the board better review the current asset mix)
- increasing the maximum loan amount of Early Ventures Microloan from \$20,000 to \$50,000
- minor updates to the signature policy for the check/payment process



## PACE & Flex PACE Programs

The intent of the PACE Program is participation with BND and a lead lender to buy down the interest rate on loans to new or expanding primary-sector businesses in the County. GIF shall act as the “community” as provided in the North Dakota Century Code and administer the programs in accordance with and the rules and regulations of the BND. All but three of the 2022 approvals were associated with PACE & Flex PACE.

## Early Ventures Microloan Program

The program is designed to address financing challenges of early-stage, primary-sector entrepreneurs in Cass County, to ideally help startups progress to their next stages of revenue and access other funding sources. There were three microloan approvals in 2022.



## APPROVALS BY CITY

2022 approvals will help access \$1.8 million in matching state interest buydown funds for applicants. Below are the approval metrics by City of the project.

2022 Approvals By City	GIF Approved	Number of Approvals	Estimated Capital Expenditures	New Full-Time Jobs	Utilized Square Feet	BND Matching Grants
Fargo	\$967,000	10	\$41,818,500	61	166,900	\$1,485,621
West Fargo	\$172,000	5	\$2,703,500	6	9,600	\$303,981
Davenport	\$4,000	1	\$72,000	3	0	\$5,551
<b>Total</b>	<b>\$1,143,000</b>	<b>16</b>	<b>\$44,594,000</b>	<b>70</b>	<b>176,500</b>	<b>\$1,795,153</b>



## TOTAL LOANS FUNDED THROUGH 2022

All Funded Loan Activity By City Through 2022	# Loans	GIF Loan Amounts	BND Matching Grants	New Full-Time Jobs	Square Feet Utilized	Estimated Capital Investment
Fargo	190	\$12,450,328	\$20,332,000	5,244	3,663,000	\$401,310,000
West Fargo	62	\$3,673,829	\$6,589,000	1,005	1,637,000	\$153,268,000
Casselton	11	\$734,542	\$1,399,000	77	170,000	\$21,043,000
Horace	7	\$890,089	\$1,692,000	112	187,000	\$25,810,000
Mapleton	4	\$404,907	\$859,000	127	184,000	\$19,021,000
Enderlin	1	\$5,600	\$11,000	4	6,000	\$745,000
Kindred	1	\$35,667	\$87,000	3	3,000	\$343,000
<b>Total</b>	<b>276</b>	<b>\$18,194,962</b>	<b>\$30,969,000</b>	<b>6,572</b>	<b>5,850,000</b>	<b>\$621,540,000</b>

### GRANTS IN 2022

Along with a consortium of other area lenders and the GFMEDC, the GIF committed \$7,500 over three years (2022-2024) to assist with the supporting an additional ND Small Business Development Center consultant. The first \$2,500 payment was paid in 2022.