

Pueblo County Business Resource Oversight Commission Agenda

Date: Tuesday February 18, 2025
Time: 8:15 AM
Location: **ZOOM** Conference; <https://zoom.us/j/97782419635>

Accommodations for individuals with sight or hearing impairments may be made by contacting Patsy Cresswell at 583-6500 or TDD at 583-6550 at least two days in advance of a meeting.

Agenda

- Roll Call
- Approval of Minutes
 - January 21, 2025: Meeting Minutes
- BROC Loans
 - None
- Reports:
 - January 31 2025 Accounting Report

- **CLOSED SESSION**
 - Current Loans in the Pipeline

- Discussion:
 - Marketing activities completed
 - Adding CDBG Funds available to loan on prepared financial reports
 - Review of Letter to Banks
 - Extension Letter Request to DOLA Extending CDBG Funds beyond April 30, 2025.
- Updates:
 - None
- Adjournment

NEXT MEETINGS:

March 18, 2025 08:15 AM

**Business Resource Oversight Commission
MEETING MINUTES OF 01/21/2025**

Board Members (P) Present; (A) Absent; (E) Excused:

P	Chad Heberly	P	Margaret Gaillard	P	Kurt Madic
A	Amy Gasperetti	A	Justin Bonham	P	Yvonne Rampa
P	Tracy Gutierrez				

NeighborWorks South Region Staff Present: Sarah Habib, Abdoulaye Doumbia and Sandy Gutierrez

Pueblo County Present: Wally Wallace

Call to Order: Chad Heberly called the meeting to order at 8:18 AM.

Approval of Minutes: Motion to approve October 25, 2024, minutes made by Tracy Gutierrez and seconded by Yvonne Rampa. Unanimously Approved.

Approval of Financial Reports: Motion to approve the December 21, 2024, report made by Margaret Gaillard and seconded by Kurt Madic.

New BROC Loan: No New Loans for Review

Financial Reports:

No delinquent loans. HEADstrong’s first payment was received in December. They are on ACH. Commission Member Gaillard inquired about Union Avenue Dental perhaps going to ACH or autopay to prevent them from delinquency as they are not currently paying on time. The goal is to get all business loans on autopay for easy collection of payment and to avoid late fees.

Commission Member Heberly inquired about cash on hand and reserves for lending. Sara could only provide an estimate; the exact amount will be sent to Wally. The last report was received 9-30-24 with an estimated balance of \$1,500,000. Commission Member Gaillard requested that reports be sent monthly regardless of having a meeting. The budget is currently cash rich with no current loans being processed. Going forward, Sara, will be the point of contact. Wally will schedule a meeting to introduce everyone.

Discussion:

- Introduction to Sandy Gutierrez, CEO of NeighborWorks.
 - Became the new CEO as of October 2024.
 - Worked with the Pueblo Chamber of Commerce for 18 years.
 - Spent some time in the Health Care sector.
 - Home loans will be a new adventure for her.
- Introduction to Abdoulaye Doumbia, new NeighborWorks Business Loan Specialist.
 - Worked as a Closer and Quality Control in the mortgage industry for about 10 years.
 - Before entering the mortgage industry, he worked in sales with BMW Financial Services.
 - Worked in the US and Canada and is bi-lingual in English and French.
 - Moved to the area just before starting work with NeighborWorks in October 2024.
- Approval of Extension Letter from DOLA Extending CDBG Funds of \$290,000 to April 30, 2025.
 - Will need to draft another extension letter soon in order to seek an additional extension before the end of April.
 - Two applications have been received that might be applicable for these funds.
 - Another two potential applicants are in conversations with NeighborWorks.

- Chad will draft a letter to distribute to banks in the region.
- Loan Applications Update
 - Radio Station applicant. – Moving from Canon City to Pueblo West.
 - G3 Farm in Pueblo West wanting to add a nursery.
 - Copper River is considering a loan for new equipment.

Meeting adjourned: Motion to adjourn meeting made by Margaret Gaillard and seconded by Kurt Madic. Unanimously Approved. Meeting adjourned at 8:55 AM.

NEXT MEETING: February 18, 2025, at 8:15 am via zoom.

BROC Balance Sheet as of 01/31/2025

Current Assets

Bank of the San Juans	\$ 2,528,792.59
CDBG Restricted	\$ 290,000.00
Total Current Assets	\$ 2,818,792.59

Assets

BROC Loans Receivable	\$ 197,966.40
BROC Loan Loss Reserve	\$ (17,263.22)
Total Assets	\$ 2,999,495.77

Liabilities

CDBG Restricted	\$ 290,000.00
Cash Available to Lend	\$ 2,256,055.81

LOAN BALANCES JOURNAL REPORT

NeighborWorks Southern Colorado, Inc.
 ALL BALANCES AS OF: 01/31/2025

Loan Account	Borrower Name	Principal Balance	Trust Balances		Unpaid Late Charges	Unpaid Charges	Unpaid Interest	Total
			Reserve	Impound				
0000092	Soda Creek Ranch Venue LLC	\$60,662.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$60,662.44
0086	T and L Enterprises LLC	\$107,675.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$107,675.81
201803	Union Ave. Dental/Eden Dental	\$58.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$58.13
491	Headstrong Properties LLC	\$29,570.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$29,570.02
(4)		\$197,966.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$197,966.40

BORROWER PAYMENT REGISTER

User: All Users

NeighborWorks Southern Colorado, Inc.
REPORTING PERIOD: 01/01/2025 TO 01/31/2025

Loan Account	Borrower Name / Property	Amount Received	Reference	Date Rcvd Date Due Paid To	Interest Charges Prin. Prepay Fee	Principal Charges Int. Other Paid	Late Charge Broker Fee Unpaid Int.	Trust Acct. Reserve Impound	Pay Method Lender Fee Add Late Chg
0000092	Soda Creek Ranch Venue LLC	653.33	1203	01/02/2025 01/01/2025 01/01/202	330.34 0.00 0.00	322.99 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	Check 0.00 0.00
0086	T and L Enterprises LLC	1,684.27	250102103002D3H	01/02/2025 01/01/2025 01/01/2025	589.18 0.00 0.00	1,095.09 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	Online 0.00 0.00
491	Headstrong Properties LLC	579.98	ACH 29297082509	01/13/2025 01/01/2025 01/01/2025	150.00 0.00 0.00	429.98 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	Other 0.00 0.00
201803	Union Ave. Dental/Eden Dental	3,286.35	250130141836QNH	01/30/2025 01/01/2025 01/01/2025	16.43 0.00 0.00	3,228.22 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	Online 0.00 41.70
(4)		6,203.93			1,085.95 0.00 0.00	5,076.28 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 41.70

RECONCILIATION

Cash	+	0.00
Check	+	653.33
Cashier's Check	+	0.00
Lock Box	+	0.00
Credit Card	+	0.00
ACH	+	0.00
EFT	+	0.00
Electronic Payment	+	0.00
Online Payment	+	4,970.62
Money Order	+	0.00
MoneyGram	+	0.00
Other	+	579.98
Total Amount Received	=	6,203.93
Total to Reserve	-	0.00
Total to Impound	-	0.00
Total Disbursed	-	6,203.93
Difference	=	0.00

Current Loans in the Pipeline - BROC

1. Star Country KSTY

- **Loan Request:** \$250,000
 - **Purpose:** To purchase a radio station in Canon City.
 - **Collateral:** Land where the antenna is located, along with the borrower's mortgage.
 - **Status:** Appraisal has been ordered and is awaiting results. The borrower was referred by a friend and has not applied to a bank. The application will include both the borrower's and significant other's incomes.
 - **Debt Service Coverage Ratio (DSCR):**
 - Business: 0.58
 - Global: 1.62
-

2. Southern CO Real Estate Brokers

- **Loan Request:** \$250,000
 - **Purpose:** To pay off a balloon payment due at year-end and fully purchase the business.
 - **Business Overview:** Operating for 20 years; the borrower has owned the business since 2021.
 - **Status:** The borrower is in the process of gathering the necessary documents and expects to provide an update within 1-2 weeks.
-

3. D and C Paving and Construction LLC

- **Loan Request:** \$50,000
 - **Purpose:** To purchase new equipment for the business.
 - **Experience:** 20 years in the paving and construction field.
 - **Status:** The borrower is gathering the necessary documents to proceed.
-

4. G3 Farms

- **Loan Request:** \$650,000
- **Purpose:** To purchase a nursery and expand the business.
- **Plan:** Use \$250,000 from the BROC loan to purchase equipment; the borrower hopes to secure bank financing for the remaining amount to acquire land.
- **Status:** The borrower is gathering the necessary documents and expects to provide an update within 1-2 weeks.

Subject: Opportunity to Support Local Businesses with CDBG Lending Fund

Dear [Recipient's Name],

I hope this message finds you well. I'm reaching out to share an exciting opportunity for commercial bankers like you to help local businesses thrive while strengthening your client relationships. The Community Development Block Grant (CDBG) Lending Fund, administered by the Colorado Department of Local Affairs (DOLA) and available through Pueblo County's lending program, offers flexible financing options tailored to support small to mid-sized businesses in our community.

About the CDBG Lending Fund

This program provides funding to businesses that create or retain jobs for low-to-moderate-income individuals, aligning with federal CDBG requirements. Eligible businesses include, but are not limited to:

- Small manufacturers expanding operations.
- Retailers or service providers needing growth capital.
- Startups with a well-defined business plan and job creation potential.

To qualify, businesses must demonstrate a commitment to job creation or retention, with a focus on positions accessible to individuals meeting income eligibility guidelines.

Benefits to Your Clients

The CDBG Lending Fund can act as a supplemental financing tool, enabling businesses to access additional working capital, purchase equipment, or invest in facilities without overextending their existing banking relationships. This program:

- Provides lower interest rates compared to traditional loans.
- Reduces financial risk for businesses by filling financing gaps.
- Ensures compliance with employment and community reinvestment goals.

How It Complements Banking Relationships

The program is designed to work alongside existing loans or lines of credit, providing your clients with a holistic financing approach. By referring eligible businesses to the CDBG Lending Fund, you can:

- Strengthen relationships with current clients by offering innovative solutions to their financial challenges.
- Enhance your portfolio by supporting businesses with sustainable growth plans.
- Increase your bank's Community Reinvestment Act (CRA) credit by participating in economic development initiatives.

Let's Collaborate

I'd be happy to discuss how this program can align with your goals and benefit your clients. Additionally, I can provide more information about the application process, eligibility requirements, and success stories from businesses that have benefited from the CDBG Lending Fund.

Please feel free to reach out at [Your Email Address] or [Your Phone Number] to schedule a conversation or request further details. Together, we can empower local businesses and drive economic growth in Pueblo County.