

Minutes of the Innovation Technology Loan Fund (LIFT) Committee
August 17, 2022
9:00 a.m. – 12:00 p.m. Mountain Standard Time (MST)
TEAMS online video/audio meeting
Rough Rider Hotel – South Conference Room – Medora, ND

Members Present: Tommy Kenville, Kjersti Armstrong, Guy Moos, Michael Jablon, Erik Barner, Randy Schneider, Cathi Feeley
Guests Present: Joshua Teigen, Shayden Akason, Carla Valentine, Shawn Kessel, Kylee Merkel, Sherri Frieze

WELCOME/CALL TO ORDER

Joshua Teigen, Commerce LIFT proxy for Interim Chairman Shawn Kessel, called the LIFT committee meeting to order at 9:00 a.m. MST.

APPROVAL OF MINUTES

Motion: It was moved by Randy Schneider and seconded by Tommy Kenville to approve the minutes of July 17, 2022. Motion carried.

PRESENTATIONS FROM JULY APPLICANTS and FINANCIAL DISCUSSION

Presentations were heard from Reach Social from 9:05 a.m. – 9:15 a.m.

EXECUTIVE SESSION

Pursuant to N.D.C.C. § 44-04-19, the public was excused from the conference/video call via Teams platform. Motion was made by Cathi Feeley and seconded by Erik Barner to move into executive session at 9:20 a.m.

Pursuant to N.D.C.C. § 44-04-19, and no further private business to conduct, a motion was made by Guy Moos and seconded by Cathi Feeley to move out of executive session at 10:00 a.m.

VOTING ON JULY PRESENTATIONS & PROTOTYPE GARAGE FINANCIAL INFORMATION

The LIFT committee returned to public business and Joshua Teigen, continued to chair the meeting.

Motion: It was moved by Tommy Kenville and seconded by Randy Schneider to DENY funding for Reach Social. Motion carried.
Roll call: Guy Moos-yes; Tommy Kenville-yes; Kjersti Armstrong-yes; Erik Barner – yes; Michael Jablon-yes; Randy Schneider – yes; Cathi Feeley – yes.

Motion: It was moved by Erik Barner and seconded by Cathi Feeley to APPROVE funding for Prototype Garage. Motion carried.

JULY APPLICATIONS - REVIEW AND VOTE

The committee reviewed one application and unanimously approved Safiyaa for presentation at the October 2022 meeting.

COMMITTEE STRATEGIC PLANNING

Joshua asked the committee members to discuss LIFT Strategic planning for preparation to the upcoming legislative session, highlighting two key questions.

- 1.) Improvement of the online application process for standardized questions that will help with presentations.
- 2.) Updating the company evaluation process.

Member suggestions:

1. Commerce screening administrative support for; website, finance, or independent opinions.
2. Current portfolios mix or create more prescriptive industry investment, setting targets for disbursement criteria.
3. Relevancy, purpose, process, and end game of LIFT. Preparedness to explain this to legislators.
4. Operation technique – presentations to be longer
5. Management of loans; annual reviews to be done – BND will more, with hiring of loan position.
6. Loan discussion – longer times on agenda per company
7. Financial improvements
8. Longer conversations with the applicants; more due diligence upfront, financial analysis, background checks.
9. Grant vs. loan funding
10. What is an appropriate funding request
11. Follow loan processes done more by banks

Subcommittees will be formed, meet in September to collectively update the LIFT loan process. The next LIFT meeting will be held in October to be combined with a half day of strategic planning. The subcommittees formed include:

Financial Subcommittee – Loan Policy Change and funding amounts

Erik
Randy
Guy
Commerce & BND staff support

Portfolio Analysis Subcommittee – Make up and utilize for symmetry

Erik
Cathi
Michael
Commerce & BND staff support

Legislative Subcommittee – Strategy going forward

Tommy
Kjersti
Commerce & BND staff support

Motion: It was moved by Randy Schneider and seconded by Tommy Kenville to create an annual In Person LIFT Meeting in Medora, the 3rd week in August. Motion carried.

ADJOURNMENT

With no further discussion or business, the meeting was adjourned unanimously at 1:00 p.m.