

MAGIC Fund Steering Committee Minutes
September 18, 2020

ROLL CALL

Members Present: Olson, Drady, Feist-Erickson and Bigelow

Members Absent: Gates, Hertz and Lundeen,

1. APPROVAL OF MINUTES

Drady moved the minutes of the April 26, 2019 meeting be approved as submitted.

The above motion was seconded by Feist-Erickson and passed unanimously
ayes: Olson, Drady, Feist-Erickson and Bigelow and nays: none

2. MADC - \$800,000 Grant to Purchase the Property at 120 Burdick Expressway East

John MacMartin, MADC, began by discussing MADC's focus on Workforce Development. MacMartin shared his support for this application stating CTE is an excellent opportunity to keep younger people in Minot. MacMartin introduced Tim Mihalick, Chairman of Community Stakeholders Committee.

Mihalick explained to the Magic Fund Committee that in the IEDC report one of the items recommended was to develop a CTE in Minot. From that report, discussions to make this happen with City of Minot, Trinity Health, MSU/Dakota College of Bottineau, NDR, and MADC have been ongoing. Trinity presented a valuation on the property of \$1,100,000 as the asking price. After discussion it was decided to offer Trinity their asking price with a request that Trinity contribute back to the CTE center \$300,000 for a net cash acquisition of \$800,000. Mihalick informed the committee that Trinity has agreed to this. If this application is approved, everything will be going to the Trinity Board for final approval. Mihalick told the committee last night it was announced HUD released \$3.45 million to use in creating a CTE Center. This will allow for renovation and initial equipment. Mihalick mentioned other foundations that will possibly contribute additional funding: MSU Foundation, DCB Foundation, St. Joes, and MACF. He shared with the committee that the Governor and State Board of Higher Education are excited about this project for Minot.

Dr. Shirley, Minot State University President, gave background on MSU and DCB partnership of 25 years. DCB provides MSU the opportunity to offer 1 year and up certificates. This will allow MSU to benefit more from this partnership. Minot loses younger people to other cities who offer these programs and now we can keep our

students here. MSU will deliver curriculum and some classes will be offered by MSU as part of partnership. Minot Public Schools has been involved in the discussions and has a world class CTE Program which will now keep these kids in Minot.

Jerry Migler, Dakota College at Bottineau Dean, explained what Postsecondary CTE means. He said, these are the frontline workers including coders, admins, technicians that keep businesses running. Migler noted from the presentation a fact that has been in use for years “65% of all jobs in 2020 will require some postsecondary education, compared to 28% in 1972”. Migler noted, we are now in 2020 and this statement is still accurate. Migler explained communities with access to postsecondary CTE programs have an economic advantage and will help to retain talent. Minot is the largest community that does not offer Postsecondary CTE. He reviewed the list on Slide #4 of the presentation. Migler reviewed the attached presentation. Migler concluded by saying that we need the facility. Between the partnership and Resiliency dollars this will build the foundation. The plan is to launch with programs that are less expensive and add more expensive ones in the future. An advisory committee will be put together along with involvement from business and industry leaders.

Following the presentation, the committee asked questions.

Bigelow asked, how many students are anticipated? Migler responded by saying, with 7 to 8 programs approximately 250-300 students. Migler estimated in 2 to 3 years the center will be fully running.

Bigelow asked where the instructors will come from to which Migler answered, there are some from DCB that live in Minot. The others will be hired and reside in Minot.

Olson noted with the last question his concern since these are MAGIC Fund dollars and the requirement to create jobs. Mihalick answered, each program will need an instructor, an onsite manager, administrative support staff, and part-time staff jobs will be created for the operations of the CTE Center.

Feist-Erickson asked if there is a Plan B if Trinity withholds the \$300,000. Mihalick answered there is not, Trinity is committed and this is going to happen. Feist-Erickson asked who will own the building to which Mihalick answered by saying it will be in the MSU Foundation’s name.

Bigelow asked, who did the evaluation of the building? Mihalick stated, it was a third party.

Drady shared some concern over the date of the 2017 report and that current information should be collected. Dr. Shirley agreed it is dated but explained things have been moving slow but once the dollars were shifted from the Gathering Space project to CTE it started to build more momentum for this project. The dollars need to be spent by September 2022 and anticipate the first classes will begin that fall.

MacMartin informed, the last time a CTE was addressed it was done at the high school level. MacMartin noted Olson's concern regarding job creation and shared, there will now be a number of employees for direct jobs and will create workers for industry job fields in Minot. Our workforce will improve for our local businesses.

Bigelow made a motion to approve \$800,000 to purchase the property at 120 Burdick Expressway East.

The above motion was seconded by Feist-Erickson and passed by the following roll call vote: ayes: Olson, Drady, Feist-Erickson and Bigelow. nays: none.

4. FINANCIAL REPORT

Sue Greenheck, City Comptroller, informed the committee the MAGIC Fund balance is \$8.7M with just over \$1M committed. Sales tax collections are 7.43% under from this time last year. It is only .18% below what was budgeted.

5. OTHER BUSINESS - none

6. ADJOURNMENT

There being no further business, Feist-Erickson moved to adjourn the MAGIC Fund Steering Committee meeting.

Respectfully submitted,
Perry Olson, Chairman
Magic Fund Committee