

Murray County Economic Development

The Murray County Board of Commissioners established the Murray County Office of Economic Development in 1989 as a department of county government. On May 16, 2000, it established the Economic Development Revolving Loan Fund for the express purpose of stimulating economic growth in Murray County. Later that year it established an Economic Development Authority (EDA). It then transferred all responsibility for operating and managing the loan fund to the Murray County EDA.

This is a public sector loan fund and the EDA is a public sector lender. As such, it is not motivated by profit, but rather by economic development results. Every prospective borrower is important. The EDA and the Office of Economic Development stand ready to work with any prospective borrower to make sure the project is successful.

Murray County Economic Development Authority (EDA)

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Murray County Economic Development Revolving Loan Fund

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Purpose

The Murray County Economic Development Revolving Loan Fund (EDRLF) is a public fund. Its purpose is to provide a portion of the funds necessary to finance projects that will result in economic development in Murray County. Development may occur by creating or retaining job opportunities, expanding the tax base, promoting entrepreneurship or providing necessary services that will foster additional development.

Gap Financing

The primary function of this public loan fund is to provide "gap financing". Gap financing is providing a loan that fills a gap that exists between the project cost and the sum of funds the owner/developer has available plus what he or she is able to borrow.

The loan fund is not intended to be a substitute for conventional business financing or to be used in place of other specialized federal, state or local programs. With gap financing, the major financing will generally come from conventional or other sources, while this loan fund will be used to "fill the gap".

The EDA will work closely with the borrower and the borrower's primary lender to identify the gap that may exist.

Eligible Applicants

Applicants may be individuals, partnerships, corporations or non-profit corporations. Existing businesses, developers or enterprises as well as new start-ups or legal entities considering acquiring an existing business or enterprise are eligible to apply. In determining whether or not to participate in the financing package, the Economic Development Authority will consider the project's economic impact on Murray County as well as the gap that exists.

Interest Rates and Maturity

There is no set interest rate. The EDA, serving as the loan review board, will determine the rate based on a number of factors. Among those factors are the nature of the gap that exists, the level of risk, and the economic impact the project will have on Murray County.

Maturity will also be established by the EDA on an individual case basis. The EDA will take into account the projected cash flow, the gap that exists and the life of any asset serving as collateral.

Management and Administration

The Murray County Economic Development Authority (EDA) has the responsibility for the management and administration of the loan fund

The EDA serves as the loan review board and makes all decisions regarding approval, conditions and service of loans.

The EDA administers the loan fund through the Murray County Office of Economic Development. All applications are processed through that office. Loan application packets are available from the office.

The Office of Economic Development will offer its assistance to all entities that have a project in mind. It will assist in the development of Business Plans and will make referrals where necessary to other agencies or consultants that can assist the borrower.

Contact can be made with the office in person or via mail, phone, fax or e-mail .