

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING  
**MINUTES**  
March 11, 2021  
Via ZOOM Video Conference

Present: Art Benson, Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke and Kelly TerWisscha

Ex Officio: Julie Asmus

Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Manager

Media: Shelby Lindrud, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

President Kelly TerWisscha called the meeting to order at approximately 11:00 a.m.

**AGENDA**—Item 3 under Approve on the Consent Agenda was changed to “Adding Ryan Nelson to the Broadband and Advanced Technology Committee” and a new item 5 under Approve of the Consent Agenda was added: “Payment of \$1,600 to Abdusalaam Hirsi as a program facilitator for the Elevate Business Academy to be reimbursed by Southwest Initiative Foundation.”

IT WAS MOVED BY Les Heitke, SECONDED BY Rollie Boll, to approve the Agenda and the following revised Consent Agenda.

**CONSENT AGENDA**

- Approve:
1. Minutes of February 11, 2021 meeting
  2. Financial reports as of February 28, 2021
  3. Adding Ryan Nelson to the Broadband and Advanced Technology Committee
  4. Payment of \$34,000 to the Willmar Lakes Area Convention & Visitors Bureau as budgeted
  5. Payment of \$1,600 to Abdusalaam Hirsi as a program facilitator for the Elevate Business Academy to be reimbursed by Southwest Initiative Foundation
- Accept:
1. Committee/Subcommittee Minutes
  2. Agriculture and Renewable Energy Development 1/21/2021
  3. Broadband and Advanced Technology 2/1/2021
  4. Business Retention and Expansion/Recruitment 2/5/2021
  5. Finance 1/12, 1/20, 1/27 and 2/3/2021

MOTION CARRIED.

## UNFINISHED BUSINESS

**Update on COVID-19 Response.** Aaron Backman reported the EDC's Minnesota Pandemic Relief (MPR) Grant Program has ended with the last 26 grants being approved by the county on March 2<sup>nd</sup> and paid on March 4<sup>th</sup>. Grant recipients have been happy with the additional funds. A total of 60 businesses and 6 nonprofits were given grants through the MPR program with approximately one-third of them being diverse. Yesterday, Congress passed the American Rescue Plan Act, which Backman believes may be comparable to the CARES Act with funds being allocated to units of government. It is believed the City of Willmar will be allocated \$2,260,000, Kandiyohi County will be allocated approximately \$8,380,000 and townships will also receive funds. Backman has communicated his suggested uses for those funds, including for broadband projects. This program will end in 2024. Larry Kleindl indicated he is supportive of looking at infrastructure, including broadband projects. It is possible the EDC will again be involved in disbursing funds, but is hesitant to develop new grant programs. Les Heitke questioned if the EDC has adequate staff to continue to handle programs on behalf of other governmental units. Backman suggested this could be discussed at the boards' planning session noting the EDC has disbursed a significant amount of funds in the past year. If needed, the EDC could contract with others to assist. The American Rescue Plan Act has a separate allocation to help restaurants and there appears to be more flexibility as to the use of funds. Connie Schmoll reported 23 expense reports for the MPR program have been received. Cheryl Glaeser has been assisting with obtaining those reports.

**Ridgewater College Surplus Property.** Backman reported the closing was held on February 16<sup>th</sup> and the deed was recorded so the EDC now owns the two acres of land. Backman received contact from a developer who is interested in purchasing the property. The board will be allowed input on the planned sale.

**Boards' Planning Session.** Backman noted a survey was emailed yesterday and board members are asked to respond by the requested date. A date in April is still being determined. The planning session will be held at the Willmar Conference Center.

**Elevate Business Academy.** Schmoll gave an update on the Elevate Business Academy. Four informational sessions have been held with 21 potential students participating. Currently, outreach to those participants is underway to schedule an orientation session for March 10<sup>th</sup>. Weekly classes begin March 17<sup>th</sup> and will be held for 12 weeks. It is anticipated that about half of those who attended the informational sessions will become students. Schmoll and Abdusalaam Hirsi have been trained as facilitators, but the first session will be co-facilitated by an experienced instructor from the New Jersey parent program, Rising Tide Capital.

**Staff Transition Task Force.** Backman reported the Staff Transition Task Force met on March 4<sup>th</sup> and reviewed 10 applications. Three individuals were selected to interview, which will take place later this month. Backman contacted the three individuals, all of whom are very interested in the position.

**Township Broadband Project.** Schmoll reported a meeting between the three townships and Kevin Beyer of Federated Telephone Cooperative was held. Beyer was firm as to Federated's financial participation. A meeting was also held with the township attorney and a representative from Ehlers in regard to bonding. Broadband Committee Chair Mark Boeschen and Vice Chair

Michelle Marotzke are attending all meetings with Schmoll. Federated is willing to add Arctander Township as some areas in the other three townships have been awarded to LTD Broadband under the Rural Digital Opportunity Fund (RDOF) auction. The committee is looking at policy development. Project costs have increased, but residents continue to want broadband service. Schmoll intends to ask Beyer if Federated would be willing to include more townships if federal funds become available. Schmoll will be working on the state broadband grant application. Schmoll noted the Minnesota Rural Broadband Coalition has a staff member who is constantly in contact with state legislators advocating for rural broadband. The EDC also held a meeting with staff of the state's Office of Broadband Development about the state grant process and the maximum amount that should be requested in the grant application. Heitke suggested the local state representative and senator be informed and supportive of any project. Schmoll stated Rep. Dave Baker is aware of the EDC's work.

**NEW BUSINESS**—Backman informed the board that LAA has engaged Cathy Skindelien through Employment Plus to help with covering the EDC office, which has been beneficial.

### **PROGRESS REPORTS**

**Willmar/Willmar Industrial Park.** Backman reported the local housing supply has dropped 70%. Last year there were 192 single-family homes available in Kandiyohi County and this year there are currently 70 homes for sale, a number of which are more than \$500,000. New London has a 1.6 month inventory; Spicer has a 1.8 month supply and Willmar is down to a 1.2 month supply—a healthy supply is 5-6 months. Backman reported the area has received significant interest from housing developers.

- The developer of Unique Opportunities on the west side of County Road 5 completed 72 units last fall; is currently building another 72 units under its phase 2 and may accelerate its phases 3 and 4 because of the demand.
- United Development of St. Cloud is looking at a senior and market-rate housing on Lakeland Drive.
- Kuepers, Inc. is submitting a project to the Willmar City Council next week to build three market-rate buildings with 10 units east of PetSmart on seven acres of land.
- A Twin Cities developer will be visiting next week and is interested in a project in the Renaissance Zone.
- A developer has submitted a letter of intent for a downtown location for a four-story, market rate, multi-family housing project.
- Another developer is looking at a project on Highway 12.

Backman reported a logistics company is looking at purchasing 25-40 acres; more information will be available in April.

**Economic Development Activity.** Schmoll is working with a cultural grocery store and an electrical business; assisting with some of the housing projects and is working on a business for the MinnWest Technology Campus. Schmoll reported a survey was done in southwest Minnesota showing childcare has changed greatly due to COVID-19. There continues to be a drop in childcare locations, but an increase in childcare centers. The Willmar Child Care Center is working with

Kandiyohi County to get reimbursements; it is ready to open, but it needs families who are able to pay for services. There is still a need for childcare in the region. Several grants have been available for childcare and more funds continue to come in due to the pandemic.

## **COMMITTEE REPORTS**

**Agriculture and Renewable Energy Development.** Schmoll reported the Ag Committee is hosting the Ag to Energy Biofuels Workshop at 7:30 a.m. on March 18<sup>th</sup>. Anyone interested in attending must register on Christianson's website. The committee is seeking sponsors for its July 29<sup>th</sup> Partners in Ag Innovation Conference. A couple of members of the Hemp Exploratory Subcommittee are registered to attend a hemp conference in Denver, Colorado. The subcommittee has written to members of Congress about federal regulations.

**Broadband and Advanced Technology.** There was no additional report.

**Business Retention and Expansion/Recruitment (BRE).** Backman reported the BRE Committee met on March 5<sup>th</sup> where it heard from Jeff Miller, Dean of Instruction, Meat Processor Education, Ridgewater College, and received updates from CLUES and Central Minnesota Jobs and Training Services on their CDL programs.

**Finance.** Backman reported the Finance Committee did not meet this month. Loan applications will be reviewed in April.

**Marketing and Public Relations.** The committee reviewed proposed marketing materials for the Renaissance Zone and offered suggested changes.

**What's Up?** President TerWisscha reported the Project Turnabout construction is going well. Art Benson spoke with the owner of the former Lettuce Abound, who is now growing hemp seeds. Schmoll noted she has assisted Lettuce Abound with requested information. It was noted cost of construction materials has increased 20% to 40%. Schmoll noted the demand for construction is up. Backman stated there is a shortage of components and parts for builders. Jesse Gislason reported business has been good. Rollie Boll noted a concern for inflation. Asmus reported the increased construction costs are affecting the Willmar local option sales tax projects. Heitke commented on the high sale prices of homes. Donna Boonstra reported her business is picking up, but it is taking longer to receive products and she is affected by the increased construction costs. Boonstra reported the Highway 23 Coalition had two representatives from Michelle Fischbach's office attend the last board meeting, who will be looking at possible funding sources. The Coalition is determining locations for signage and next week they will meet with representatives from Tom Emmer's office. Minnesota Department of Transportation District 8 approved turn lanes on Highway 23 at County Road 1 for 2024. President TerWisscha is seeing a lot of work coming up and the need to hire staff for every department to meet the needs. TerWisscha Construction is expanding Barney's Convenience Store adding a liquor store and will renovate Skindelien's in New London, which recently sold. They are also working on the Link's facility.

Discussion was held on holding hybrid board meetings starting in April. Backman noted that under its Preparedness Plan, a maximum of six individuals can meet in-person at the EDC. President

TerWisscha offered the board room at TerWisscha Construction, which can hold eight with social distancing. Other locations that may accommodate social distancing were suggested.

**NEXT MEETING**—The next regular board meeting will be a hybrid meeting at **11:00 a.m., Thursday, April 8, 2021.**

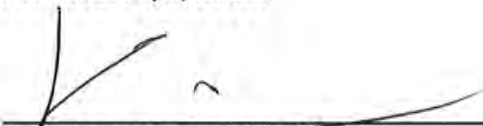
**ADJOURNMENT**—There being no other business,

IT WAS MOVED BY Les Heitke, SECONDED BY Rollie Boll, to adjourn the meeting.

The meeting was adjourned at approximately 12:23 p.m.

  
\_\_\_\_\_  
Jesse Gislason, Secretary

APPROVED: 4/8/2021:

  
\_\_\_\_\_  
Kelly TerWisscha, President