

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
April 12, 2018
EDC Office, Willmar

Present: Art Benson, Rollie Boll, Robert Carlson and Les Heitke

Excused: Donna Boonstra, Kerry Johnson, Connie Schmoll and Kelly TerWisscha

Ex Officio: Roger Imdieke and Bruce Peterson

Guest: Kathy Schwantes, Chairperson, Joint Powers Board

Staff: Aaron Backman, Executive Director

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

Media: Carolyn Lange, West Central Tribune

Secretary Art Benson called the meeting to order at approximately 11:00 a.m.

AGENDA—Added to the Consent Agenda under Approve, was item 4, payment of bill from Big River Group in the amount of \$2,470 for facilitating the boards' planning session.

IT WAS MOVED BY Bob Carlson, SECONDED BY Rollie Boll, to approve the Agenda and revised Consent Agenda. MOTION CARRIED.

CONSENT AGENDA—

Approve: 1. Minutes of March 8, 2018 meeting
2. Financial reports as of March 31, 2018
3. Payment of invoice from REDstar Creative in the amount of \$1,202.71
4. Payment of invoice from Big River Group in the amount of \$2,470 for facilitating the boards' planning session

Accept: Committee/Subcommittee Minutes

1. Agriculture and Renewable Energy Development 2/15/2018
 - a. Ag Marketing Subcommittee 2/14/2018
2. Broadband and Advanced Technology 3/5/2018
3. Finance 3/13/2018
4. Marketing and Public Relations 2/26/2018
5. Leisure Travel 2/5 and 3/12/2018

MOTION CARRIED.

EXECUTIVE DIRECTOR'S ANNUAL REVIEW—Kathy Schwantes, Chairperson of the Joint Powers Board, stated the meeting will not be closed for discussion of the Executive Director's annual review. Schwantes noted a subcommittee consisting of herself, Roger Imdieke and Donna Boonstra met and reviewed a compilation of the evaluations returned by 8 out of 13 board members. One new board member declined completing the evaluation. Schwantes stated there were many good comments on Backman's performance and in all categories he met or exceeded the boards' expectations. Comments included praise for his work with the Highway 23 Coalition; increased emphasis on activity throughout the county; completion of the BRE study on diverse businesses; his ability to stay focused on goals and objectives; strong budget management; and ability to think on his feet. The executive team advised Backman that he be mindful of staff's time to avoid burnout and engage committees as much as possible. The executive team recommends a 3% increase, which Backman agrees to have effective in 2019. Schwantes noted that Backman requested participation from board members on committees and occasional feedback. Backman stated he has spoken with Connie Schmoll about her workload and he will be conducting her annual performance review this month and will be proposing an adjustment to her sick leave.

IT WAS MOVED BY Rollie Boll, SECONDED BY Bob Carlson, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board that it renew the Employment Agreement with Aaron Backman as Executive Director and approve a 3% increase for the 2019 budget. MOTION CARRIED.

[Schwantes was excused from the meeting.]

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Bruce Peterson reported he met with several businesses interested in the Willmar Industrial Park. A development agreement with Legacy on First will be presented to the Willmar City Council next week and permits have been issued for Kwik Trip, which has been moving dirt on the property on East Highway 12. Peterson met with the owner of the former Dairy Queen on First Street, who may redevelop the property and is meeting with property owners on potential multi-family housing projects. Willmar's building official has retired, but will remain under contract for awhile; the city is trying to hire another building inspector. A few single family home plans and a group home plan are being reviewed. Peterson has been handling the airport administration work—the city will contract with an airport manager. PetSmart is making good progress on its \$800,000 renovation work and will be open by summer. Backman reported Reel-Lux Cinema opened March 30th—the lobby has been redone and it will be installing reclining seats in the future.

15th Street Flats. Backman reported Erin Anderson of Commonwealth Development has stated bids came in under budget. Bids are being reviewed; they would like to close on the property by month end and begin construction this summer. As a result of this project, several other housing developers have contacted the EDC and Peterson with some interest along Lakeland Drive for market rate and multi-family projects. Peterson noted some of the projects are upscale.

Glacial Ridge Hospitality. Backman reported on the progress of the GrandStay Hotel and Event Center construction, which weather has started to impact. Duinincks has been unable to pave the

parking lot, which is delaying the opening until June. The complex will be called Little Crow Resort. Backman showed the new logo and tag line of "Golf, Gather, Stay."

Highway 23 Coalition. Backman reported the Highway 23 Coalition annual membership meeting was March 29, 2018. There are currently 89 members, 63 of which are businesses. The Waite Park City Council approved an advocate membership last week, making it the 11th city to become a member. Corridors of Commerce funding projects are to be announced soon and the Coalition is cautiously optimistic on one of the gaps being funded. The Coalition is also working on obtaining federal funds and is planning a fly-in to Washington D.C. May 22-24, 2018 with 10 Coalition representatives currently committed to going. Meetings are being set with state Congressmen and Senators. Roger Imdieke and Mel Odens will be attending on behalf of Kandiyohi County. The cost of the trip is approximately \$1,300 per person for airfare, hotel and food. Backman stated the EDC has budgeted funds for the Coalition, as well as for travel, and he is seeking approval for he and Donna Boonstra to go on the trip. Backman stated, if approved, he would allocate the airfare to the travel category of the EDC's budget.

IT WAS MOVED BY Les Heitke, SECONDED BY Rollie Boll, to approve expenditures of up to \$2,600 for Donna Boonstra and Aaron Backman to attend the Highway 23 Coalition's Fly-In to Washington D.C. May 22-24, 2018. MOTION CARRIED.

Backman reported he has written an appropriation bill asking for monies for right-of-way acquisition for both gaps, which was submitted to Rep. Dave Baker. Rep. Baker's response was positive and was forwarded to the chair of the Transportation Finance Committee.

Business Visits and Meetings. Backman reported his activities over the past month, including:

- meetings in regard to Opportunity Zones
- KWLM's Open Mic show
- meet and greet events with the president candidates for Ridgewater College
- Job Fairs
- EDC boards' planning session on March 29th
- transportation meetings
- Willmar Lakes Area Chamber of Commerce meetings

Backman reported Schmoll has participated in activities including GROW Minnesota, broadband, Minnesota Rural Broadband Coalition, Broadband Day on the Hill and the Worthington BioScience Conference. Schmoll will be attending a cheese conference in Wisconsin next week. Backman showed a draft flyer for the West Central Angel Fund. The EDC's Ag Committee is planning a conference for ag producers on August 18, 2018 and Ag Committee members are attending AURI's New Uses Forum today.

UNFINISHED BUSINESS—

Boards' Strategic Planning Session. The board received the evaluations from the March 29, 2018 planning session ([see attached](#)) and reviewed comments as to the Vision and Mission Statements. The consensus was to recommend to the Joint Powers Board that the word visionary be removed

and to change the last words to “to enhance our quality of life.” It was the consensus to leave the Mission Statement as is.

Backman stated the proposed 2018 Goals will focus on Childcare, Diverse Business Initiative, Opportunity Zones and Transportation Infrastructure. The board reviewed the Benchmarks proposed for each goal (see attached). Comments included:

Childcare

- the EDC could help get local childcare providers organized
- childcare is a topic that comes up at every regional meeting attended by county representatives
- lack of childcare is affecting area workforce

Diverse Business Initiative

- WAM-BC’s loans will not be transferred unless all loan documents are updated
- funds would be segregated from the EDC’s other loan funds
- suggest the current outstanding loans be segregated, but the funds available for lending be combined with the EDC’s loan funds rather than restricting them for diverse businesses
- WAM-BC’s funds would increase the EDC’s loan portfolio
- recommend the Finance Committee review the outstanding loans and make a recommendation to the boards as to whether or not the EDC should receive them

Opportunity Zones

- need to review incentives for businesses and developers in Opportunity Zones

NEW BUSINESS—

Certificates of Deposit. Backman reported a Certificate of Deposit (CD) at United Prairie Bank is maturing today. Due to the timing of the notice, no requests for proposals (RFPs) were sought. United Prairie Bank will increase the interest rate from 1.20% to 1.50% if the CD is renewed with it.

IT WAS MOVED BY Rollie Boll, SECONDED BY Bob Carlson, to approve renewing the Certificate of Deposit in the original amount of \$103,970.62 for six months with United Prairie Bank at 1.50% interest. MOTION CARRIED.

RFPs will be sought for a CD renewing at North American State Bank in May.

COMMITTEE REPORTS

Business Retention and Expansion/Recruitment (BRE/R). Backman reported the BRE/R Committee discussed this year’s West Central Job Fair. The Job Fair had 35 vendors and about 176 job seekers compared to 50 vendors and over 200 job seekers last year. A new location for next year’s Job Fair is being discussed.

Finance. Backman reported the Finance Committee passed a motion to formally write off the note to Pep’s Sports Barber Shop as being uncollectible.

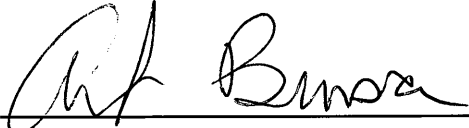
IT WAS MOVED BY Rollie Boll, SECONDED BY Bob Carlson, to approve the recommendation of the Finance Committee to write off the Kandiyohi County and City of Willmar Economic Development Commission's note to Pep's Sports Barber Shop as being uncollectible and to write off the remaining balance of \$7,766.95. MOTION CARRIED.

Marketing and Public Relations. Backman reported the committee discussed its 2018 Marketing Plan and social media statistics.

Leisure Travel. Benson reported the Willmar Lakes Area Convention & Visitors Bureau is still looking for fishing hosts and working on the 2018 Governor's Fishing Opener.

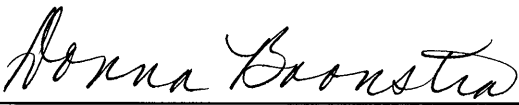
NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, May 10, 2018** at the EDC Office, Willmar.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 12:40 p.m.



Art Benson, Secretary

APPROVED: 5/10/2018:



Donna Boonstra, President



Research, "Chainsaw Planning"® & Training

P.O. Box 5120 • St. Cloud, MN 56302-5120 • (800) 500-7017 • Fax (320) 202-1010 • www.bigrivergroup.com

**Kandiyohi County & City of Willmar EDC
Spring 2018 Planning Retreat • March 29, 2018
Joint Operations Board & Joint Powers Board
Session Evaluations**

1) What was good and productive about this session?

- Positive attitudes from all
- Interaction
- Great brainstorming and thought
- Small group discussion
- Generating ideas
- Learning more about issues and successes at EDC and the region
- Exchange of ideas
- Structure to bring out these ideas
- Encouraging deeper thinking on what needs to be done
- Lots of great ideas – reviewed 2017 goals and ideas
- Successes and what our next
- Lots of information
- Good info around work being done and ideas about how to move forward
- Good pace
- Breaking into different groups
- Positive thoughts. Free exchange of information
- Director provided for future plan
- Good input from all present
- Good presentation of data before meeting
- Bruce Miles does a good job walking us through the process, capturing info, getting everybody involved and staying on track for time use
- Recap of 2017 accomplishments
- Review of goals
- Implementing, reviewing, considering worksheet – very productive
- Cards are a great way to mix people up

- Small group discussions
- Hours - 8:30 until 2:30
- Sideline conversations – always a good idea to ensure this happens
- The brainstorming and discussion and what we shouldn't be doing
- Good to revisit goals, but it is important to remove from our list things we cannot affect or have declined in relevance

2) What was your biggest discovery?

- Existing business growth in our area
- How much we don't know
- How engaged everyone who is here was!
- Board caution to limit what the EDC take on. Consider carefully our role in issues, such as childcare
- High interest in supporting existing businesses
- There was a lot to absorb but it was all useful
- How so many of us want the same positives on all aspects of our vision
- Certain initiatives, for example – Opportunity Zones
- Gaining ideas from experts for knowledge enhancement
- Depth of knowledge of board members
- Childcare issues
- We need to remove things – versus always adding to the plate. Don't assume we need to move forward as key players on childcare issues
- Review of economic growth that EDC has assisted with
- The what we shouldn't be doing items
- “Positive Gossips” keeping an ear to the ground

3) How would you improve this session?

- Allow more time for discussion in small groups
- Study of relevance of the committees
- Could have prioritized the eight goals in order of urgency
- One 15-minute group discussion on what is working and not working. Asking the hard questions – for example, daycare
- More time honing in on priorities
- Felt comfortable sharing which is good
- Less review. More time spent vetting new ideas
- Keep on time schedule and at the beginning of the meeting, or allow more time for it next year
- Allow more time for lunch. This is the only opportunity to network between boards

- Would prefer we provided more feedback and review and considerations to give Connie and Aaron more direction
- Spend less time on successes and issues – felt like we were being read to.
- Information was provided, a simple short key list of items could be highlighted
- Time to get more in detail
- More concise reporting in the beginning

4) Are there any other topics that would make the EDC stronger or more effective?

- Create a succession plan in the event of a tragedy or other life-changing event among the staff
- I think EDC employees work very hard and have been extremely effective. I don't think we need to look for more work for them
- Bring in one person or entity to our joint operations to inform us about: employment, childcare, realtor groups, manufacturing, building associations, farmers groups, medical, etc.
- How we check in on progress regarding the strategic plan throughout the year. Have the strategy drive the work of committees and tie to them
- Bring in experts to educate and assist in making sound recommendations
- More childcare facts, involve others involved in child care
- Thanks for a very good day. Time went quickly. Recommend Bruce facilitate again next time. Facilitator consistency is important, when the facilitator is effective
- Social media – business highlights or a venue for businesses to use
- Be a true catalyst to get things done
- For a future session, how about getting a motivational speaker?



**Kandiyohi County & City of Willmar
ECONOMIC DEVELOPMENT COMMISSION**

VISION STATEMENT

To provide visionary economic development leadership creating growth, prosperity, innovation, international competitiveness, and enhanced quality of life.

Adopted by Joint Powers Board 7.28.2016

Comments from March 29, 2018 planning session:

- leave it as is/no changes/like the way it is; love international, it is relevant
- only possible change would be to remove visionary as it is implied
- possibly remove visionary and international
- questioned creating growth—should possibly change to spurs or enables or encourages growth and at the end add “for all”
- change to read: To provide visionary economic development leadership creating growth, prosperity, innovation and international competitiveness to enhance our quality of life

MISSION STATEMENT

To be a catalyst for economic growth of the greater Kandiyohi County area.

Adopted 1.15.2004

Comments as to the current Mission Statement:

- it is good; including Kandiyohi County encompasses everything
- keep the county reference; it is short and sweet; like it
- okay as is
- growth is dependent upon those around us
- change it to greater Kandiyohi County and West Central Minnesota area
- expand it to include recruiting workforce; mission should be larger
- the current statement allows the EDC to pick and choose [its work] and does not restrict it



Kandiyohi County & City of Willmar EDC 2018 Plan
Benchmarks: Childcare

1) What do we want to accomplish? (New Goal)

- Increase the number of childcare options, including diverse childcare options, available for the workforce in Kandiyohi County and in the region.
- Secure sustainable solutions for existing and new childcare centers and family childcare providers, including diverse childcare.

2) What should be done to begin? (Data Needed or Action Steps)

- Participate as economic development representative, in community stakeholder meetings to define the current situation and potential solutions.
- Identify local leaders in the childcare industry.
- Bring family providers together to seek their ideas about what might be helpful for them locally.
- Research policy and proposed legislation that could support local childcare businesses.

3) What should we see happening within 90 days? (Benchmarks)

- Support legislation to provide relief for providers and address the overreach of regulations while still ensuring safety for children and families in childcare environments.
- Communicate with leaders in the childcare industry about our desire to participate in conversations and planning, as an economic development entity, regarding the childcare issue.
- Assist childcare industry leaders with gathering information from businesses about the current need for childcare for reports and grant applications.



Kandiyohi County & City of Willmar EDC 2018 Plan

Benchmarks: Diverse Business Initiative

1) What do we want to accomplish? (New Goal)

- Implement a Diverse Business Retention Expansion (BRE) Phase II Program during 2018-2019, including businesses located outside of Willmar.
- Consider receiving and administering the Willmar Area Multicultural Business Center (WAM-BC) loan portfolio. WAM-BC has seven active loans around Kandiyohi County. WAM-BC prefers to focus on technical assistance and less on financial assistance.
- Seek to establish a self-sustaining diverse workforce training program in partnership with Ridgewater College, CLUES, Rice Memorial Hospital, Bethesda and others.

2) What should be done to begin? (Data Needed or Action Steps)

- The EDC will track a diversity bill in the 2018 Legislative Session. If passed and signed by Governor Dayton, this bill could provide an estimated \$75,000 in grant funding to SWIF/DEED for Diverse BRE Phase II Program in the Willmar area.
- The EDC should continue discussions with Bush Foundation staff regarding a Community Innovation Grant for capacity building for diverse entrepreneurs in the Willmar area.
- The WAM-BC loan portfolio transfer is predicated on WAM-BC updating its financial documents for all of its outstanding loans. So far, they have updated five out of the seven loan documents. WAM-BC expects to complete the loan document updating by June of 2018. The EDC will continue to discuss the loans with WAM-BC leadership.
- Comunidades Latinas Unidas en Servicio (CLUES), a Latino non-profit organization based in the Twin Cities, with EDC assistance, is considering leasing space near downtown Willmar for office and training space. It is currently interviewing a new Navigator lead and should be finalizing a new lease in the next 30 to 60 days.
- New contracts for diverse CNA and diverse welding programs are expected to be signed by Ridgewater College and CLUES in the next 30 days.

3) What should we see happening w/in 90 days? (Benchmarks)

- The EDC will stay in communication with funders regarding the Diverse BRE Phase II Program.
- Once WAM-BC loan documents are updated, the EDC will present the loan portfolio transfer opportunity to EDC Board members for final approval. If approved, the EDC would create a new RLF for diverse businesses in Kandiyohi County.
- The EDC will remain in communication with CLUES and Ridgewater College regarding the diverse training programs and will promote the program as needed.



Research, "Chainsaw Planning"® & Training

P.O. Box 5120 • St. Cloud, MN 56302-5120 • (800) 500-7017 • Fax (320) 202-1010 • www.bigrivergroup.com

Kandiyohi County & City of Willmar EDC 2018 Plan Benchmarks: Opportunity Zones

1) What do we want to accomplish? (New Goal)

- Designate Opportunity Zones, for one to three tracts in Kandiyohi County to encourage development of housing or commercial businesses in low to moderate income areas that are considered eligible.
- Encourage investment for new commercial and housing projects in designated Opportunity Zones in Kandiyohi County.
- Facilitate and secure new commercial and housing projects in Kandiyohi County Opportunity Zones.

2) What should be done to begin? (Data Needed or Action Steps)

- Submit recommendations to DEED stating priority for each of three eligible tracts in Kandiyohi County to be considered for the designation of "Opportunity Zones."
- Track the processes and determinations made by the Minnesota Governor's Office and the final Opportunity Zones determinations made by the U.S. Department of the Treasury.
- Study the rules and processes of Opportunity Zones as more information is published.

3) What should we see happening within 90 days? (Benchmarks)

- Development of Opportunity Zone marketing materials.
- Present Opportunity Zone information to county, city and other potential partners.
- Invite potential investors and developers to community discussions about opportunities in the designated zones.



Kandiyohi County & City of Willmar EDC 2018 Plan

Benchmarks: Transportation Infrastructure

1) What do we want to accomplish? (New Goal)

- Implementation of Willmar Railroad Wye project on the west side of Willmar bypassing the downtown and installation of rail spur to Willmar Rail Park by 2021.
- Completion of the Minnesota Highway 23 four-lane corridor between Willmar and I-94, including the two gaps north and south of Paynesville by 2024.
- Construction of the County Road 5/55 bridge over railroad tracks just north of new Highway 23 bridge on the southwest side of Willmar.
- Increase operations at Willmar Municipal Airport by 25% by 2020.

2) What should be done to begin? (Data Needed or Action Steps)

- The Master Cooperation Agreement between MnDOT, City of Willmar, Kandiyohi County and BNSF needs to be completed before the Design-Build bid letting process for final design and construction can proceed.
- Willmar Wye project partners have solid relationships and the partners remain optimistic for a summer or fall of 2018 construction start for the Wye project.
- Continue to make investments in support of long-term, collaborative regional approaches, such as the EDC being active in the Highway 23 Coalition.
- Support Corridors of Commerce funding to finish the four-lane gaps on Highway 23.
- Support federal and state funding for Highway 23-related projects, such as the County Road 5/55 bridge over the BNSF railroad tracks.
- Recruit business prospects interested in locating at the Willmar Industrial Park or Willmar Airport.

3) What should we see happening w/in 90 days? (Benchmarks)

- Interact with the Willmar Railroad Wye partners to understand the status of the Master Agreement and construction timeline.
- In April, MnDOT is expected to announce the Corridors of Commerce projects that will be funded. Based on that announcement, the Coalition may seek additional state bond funding.
- In late May, the EDC should send two representatives to participate in the Washington D.C. fly-in to meet with Congressional representatives and federal Department of Transportation staff regarding the funding of transportation priorities in Willmar and West Central Minnesota.