

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)**  
**JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING**  
**MINUTES**  
**April 9, 2020**  
**Via ZOOM Video Conference**

Present: Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke, Kerry Johnson and Kelly TerWisscha

Excused: Art Benson

Ex Officio: Julie Asmus and Dave Ramstad

Guest: Cheryl Glaeser, Achieve TFC, LLC

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

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

Media: Shelby Lindrud, West Central Tribune

President Kelly TerWisscha called the meeting to order at approximately 11:05 a.m. and declared a quorum was present.

**AGENDA—**

IT WAS MOVED BY Rollie Boll, SECONDED BY Donna Boonstra, to approve the Agenda and following Consent Agenda. MOTION CARRIED.

**CONSENT AGENDA**

- Approve: 1. Minutes of March 12, 2020 meeting  
2. Financial reports as of March 31, 2020  
3. Payment of March invoice from REDstar Creative for \$1,429.51 from the Marketing and Public Relations Committee's budget
- Accept: Committee/Subcommittee Minutes  
4. Broadband and Advanced Technology 3/2/2020

**UNFINISHED BUSINESS**

**Strategic Planning Session.** Backman stated the planning session was cancelled due to the COVID-19 pandemic, but a survey was completed and compiled by Cheryl Glaeser of Achieve TFC, LLC. Connie Schmoll and Backman reviewed the 2019 Accomplishments (see attached) covering childcare, housing projects, workforce projects, business expansion and infrastructure, Opportunity Zone Prospectus,

community video, Agriculture and Renewable Energy Development Committee, Industrial Hemp Exploratory Subcommittee, Retail Business Design Workshop Program, EDC Revolving Loan Fund Program and other EDC-assisted projects. Schmoll noted that United Community Action Partnership entered into a lease agreement for the former Kandiyohi Power Cooperative building on Business Highway 71 North. Donna Boonstra provided updates on the Highway 23 Coalition and projects.

Cheryl Glaeser reviewed a PowerPoint presentation with the responses to the survey questions (see attached):

1. What truly inspires and excites you about the current work of the EDC?
  - a. EDC staff
  - b. Notoriety of work being done
  - c. Specific work, such as development of the Opportunity Zone Prospectus, Highway 23 and work being done by the committees.
2. The three top trends most likely to influence the direction of the EDC were:
  - a. Workforce scarcity;
  - b. Housing availability; and
  - c. Childcare availability.
  - d. The next areas most likely to influence what to focus on were broadband access, livable wages and Opportunity Zone.
3. The most essential work being done by the EDC were the same as the top trends, but ranked first was childcare followed by business support (Glaeser noted comments about business support were high throughout the survey) and workforce.
  - ▶ Glaeser noted the respondents feel everything being done by the EDC is essential, which is good, but it also makes it hard to prioritize and focus.
4. What actions/work in 2020 would have the greatest impact:
  - a. Childcare
  - b. Workforce and housing
  - c. Opportunity Zone
    - ▶ It was noted this may be on hold as investors determine the economy in light of the COVID-19 pandemic
  - d. Marketing
    - ▶ The EDC will continue its marketing efforts, including the community video recently completed
  - e. Business attraction, retention and expansion
    - ▶ Glaeser felt this was more about supporting existing businesses and making sure they have what they need to stay strong.
    - ▶ It was questioned how might the pandemic change how the EDC supports businesses and how might it impact childcare centers? Rollie Boll stated the EDC's Finance Committee is working hard with the EDC's new loan program. Chair TerWisscha stated with increased unemployment in the last three weeks, he is not sure that workforce will be a big issue for the near future; we may have to see how slowly it comes back. Board members felt business retention and assistance must be the top priorities.
5. Who might we serve in better ways in the future and how might we serve them?
  - ▶ Local businesses—this was being done before the pandemic and the EDC continues to do that with its new emergency loan fund. There may need to be more outreach. It was asked if there are specific sectors that need more advanced help at this time and which sectors have an opportunity to hire people who are now unemployed? Backman stated many businesses that

have not been in contact with the EDC have now contacted the EDC. Backman stated many businesses have less than 15 days of cash on hand and may not last until mid-May or mid-July. Some businesses have taken out lines of credit, but it takes time to do that. Glaeser believes the EDC will also see longstanding businesses seeking help.

6. The EDC engages a broad mix of constituents that reflect the communities it serves.
  - ▶ Most respondents largely agreed or strongly agreed, however there were a couple on the other end of the spectrum. Glaeser suggested finding out who those individuals feel the EDC is missing. Glaeser asked the individuals who strongly disagreed to reach out to Backman or Schmoll with their ideas.
    - ▶ Overall, it was felt the EDC is collaborating well.
7. What will be different in Kandiyohi County, if the EDC is successful in meeting its objectives.
  - a. Stable workforce;
  - b. Access to affordable childcare; and
  - c. Residents will choose to stay and live in the county.

Glaeser encouraged short-term priorities in 2020 rather than looking two years ahead; for example, the emergency loans, providing information and resources to businesses. Glaeser indicated the boards may decide to add or take away broad priorities, but she does not see a large shift from the EDC's 2019 priorities. Backman stated the EDC is currently focusing on the short term and trying to give businesses hope and helping put out fires. Schmoll responded staff is reacting rather than planning ahead.

Les Heitke voiced a concern for the smaller towns in the county, as well as those in west central Minnesota that have less resources than Kandiyohi County. Backman stated he is chair of the Minnesota Association of Professional County Economic Developers, which is holding weekly conference calls to share best practices, hear what others are doing and relay information to peers.

## **NEW BUSINESS**

**COVID-19 Response.** Backman stated the EDC's new emergency loan fund was developed in response to the COVID-19 pandemic and is for Kandiyohi County businesses only. The first loan closings will be held tomorrow. Schmoll stated staff is working with businesses they have never had contact with before and are hearing from businesses across the entire county. The EDC reaches out to the region via its website and has four counties involved in its Industrial Hemp Exploratory Subcommittee. Backman stated that because of the immediate need for funds, staff would like formal permission to administratively approve the COVID-19 Business Assistance Loans (COBAL). All COBAL applications are reviewed and approved by the EDC's Finance Committee, the majority of whom are bankers.

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to approve the COVID-19 Business Assistance Loans being approved administratively under full review and approval by the Kandiyohi County and City of Willmar Economic Development Commission's Finance Committee. MOTION CARRIED.

Chair TerWisscha stated he would like the board to brainstorm at the end of this meeting on what else can be done for local businesses.

## PROGRESS REPORTS

**Willmar/Willmar Industrial Park.** Dave Ramstad reported Willmar's Planning & Development Department has been busier since the shutdown and they are taking an optimistic approach. The Renaissance Zone overview is being forwarded for its first passage on April 20<sup>th</sup> with final approval on May 4<sup>th</sup>. The Renaissance Zone includes relaxation of parking restrictions in the central business district for weekends and holidays. They are working on a re-zoning from R-2 to R-4, a sale, looking into tiny home planning with little village opportunities and the city building official has had many inspections. Backman reported Kwik Trip is doing site preparation and starting the foundation for the downtown location and the Unique Opportunities multi-housing project is moving forward with its construction.

### Strategic Priority Areas.

**Agricultural Innovation.** Schmoll reported they continue to work on the Partners In Ag Innovation Conference for July 30<sup>th</sup> and the Industrial Hemp Exploratory Subcommittee is researching graphene.

**Broadband.** Schmoll reported St. Johns Township decided not to move forward so the proposed broadband project will not move forward. St. Johns Township would like to look at a project next year after more education is done. The committee is obtaining data from area schools on students using broadband for distance learning. The Willmar Public Schools' IT person, Jason Hulstein, has voiced an interest in joining the committee.

**Business Support.** Backman stated the Retail Business Design Workshop alumni were going to hold a follow-up meeting April 1<sup>st</sup> at Amin Grocery, but it was cancelled due to COVID-19. The community video has been finalized, was posted on the EDC's Facebook and was featured by the *West Central Tribune*. The video will be placed on the EDC's website and shared with Kandiyohi County businesses.

**Childcare.** Schmoll reported the Minnesota Initiative Foundations developed an Emergency Child Care Grant program for childcare providers caring for children of essential workers in healthcare and education.

**Opportunity Zone Marketing.** Backman reported copies of the Prospectus were printed by Speedy Print. Investors are interested in the Zone, but not right now due to the pandemic.

**Continued Discussion of the COVID-19 Response.** Chair TerWisscha asked what else can the EDC be doing and suggested hosting webinars or ZOOM chat groups. He suggested getting like-minded business people together so they do not feel alone and to start brainstorming. Schmoll stated she and Backman are educating businesses on the state and federal COVID-19 programs. Backman stated the COBAL program goes through July and the EDC could look at a phase 2, however, the EDC only has limited resources. Backman suggested it may be time to ask the Kandiyohi County Housing and Redevelopment Authority revisit the use of its Intermediary Relending Program that has \$600,000. Ramstad suggested Sara Swedburg could assist with webinars and other ideas.

**NEXT MEETING**—The next regular board meeting is **11:00 a.m., Thursday, May 14, 2020** via ZOOM video conference.

**ADJOURNMENT**—

IT WAS MOVED BY Rollie Boll, SECONDED BY Jesse Gislason, to adjourn the meeting.

The meeting was adjourned at approximately 12:20 p.m.

  
\_\_\_\_\_  
Art Benson, Secretary

APPROVED: 5/14/2020:

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



## 2019 EDC Accomplishments

**Child Care Initiative.** The Kandiyohi County Rural Child Care Innovation Program made several strides during 2019. Among them is development of a resource manual for child care providers, an introductory course for people wanting to explore the child care and early childhood education fields, expansion of early childhood education courses at Ridgewater to include Willmar campus classes, scholarships for students entering early childhood education courses, and efforts by core team members during the 2019 state legislative session that resulted in funding opportunities to assist childcare centers. Grants became available to assist child care business with start-up or expansion, training, facility modifications or improvements required for licensing, and assistance with licensing and other regulatory requirements. Ninety new Spaces for childcare were secured in Kandiyohi County with the new Spicer Learning Center opening in December. Other spaces that are planned for opening in 2020 include 30 new spaces at the Willmar Assemblies of God Church and 90 new spaces at the Willmar Childcare Center.

**Housing Projects.** The EDC has assisted several developers to successfully move ahead with their housing projects in Kandiyohi County. These include:

**15<sup>th</sup> Street Flats.** The EDC began working on this project in the second quarter of 2016. Commonwealth Development, based in Fond du Lac, Wisconsin, is the developer for this \$9.3 million multi-family housing project. The four-story affordable housing project includes 47 units, a significant number of them being two and three-bedroom units, a fitness area, a community room, and a playground. The EDC played a significant role in assisting the developer to obtain \$8 million in tax credits from the MN Housing Financing Agency and to obtain \$586,000 in FIF assistance over 15 years from the City of Willmar, Kandiyohi County and the Willmar School District. In August of 2019 construction was completed within budget. Move-ins began in September and all units will filled in about two months.

**Unique Opportunities.** The EDC assisted Samuel Herzog, the Fergus Falls housing developer, in several ways—initially identifying potential sites in Willmar. Mr. Herzog acquired a 15-acre site from the Thorpe family along CR5 on the northwest side of Willmar. During 2019 this area was annexed into the City. Also during the first quarter

of 2019 the EDC presented at the Planning Commission in support of the project, and presented at Willmar City Council regarding the establishment of a housing TIF District, etc. During the summer of 2019 Mr. Herzog began construction of a 72-unit multi-family facility that will be 80% market-rate and will include underground parking. At full buildout, Mr. Herzog intends to have four facilities with a total of 288 units. This could generate a \$30 million investment in the County and housing for over 600 residents. The County is planning on constructing turnlanes to accommodate this development.



**Sunwood Apartments.** During the second quarter of 2019 the EDC responded to a request for assistance from Gabe Olson, AEHM, also known as Suite Liv'n. The housing developer and multi-family property owner wanted tax abatement to defray costs associated with developing a 24-unit market-rate apartment complex on 15<sup>th</sup> Avenue Northwest near Ridgewater College. Sunwood Apartments is a \$2.5 million facility primarily has three-bedroom units. The EDC presented information to the City of Willmar and Kandiyohi County. Ultimately the City of Willmar approved the tax abatement. Construction on the project began during the summer of 2019 and is expected to be completed in 2020.

**Bethesda North Pointe.** New London – Following a market study, Bethesda in Willmar in 2019 decided to move forward with a senior housing project in the New London/Spicer area. They considered several locations and ultimately decided to purchase an 11-acre site from the Pieh family located along Peterson Parkway north of the ACMC Clinic in New London. The EDC interacted with Bethesda management, Marcus Construction, City of New London, and others in regards to land and project valuations and the setting up of a TIF District that will reimburse the developer for eligible expenses and the City for utility extensions. The new Bethesda North Pointe campus, a \$17 million senior and assisted living complex, will feature 39 senior apartments with underground parking, 18 assisted living units and 18 memory care units. Phase I of the campus will include a town centre with chapel, community areas, dining areas, a spa, and Club Bethesda wellness center.

**Workforce Projects.** The EDC has been active on several fronts with workforce development during 2019.

**West Central Minnesota Area Job Fair.** The EDC has partnered with Ridgewater College, CareerForce (Workforce Center), K-95 and Central MN Jobs & Training Services (CMJTS) to hold regional job fairs. On March 26<sup>th</sup> and September 17<sup>th</sup> job fairs were held at the Ridgewater College Gym in Willmar. Close to 400 attended the Spring 2019 job fair, which a lot college students participating.

**CDL Simulator Project.** There is a significant shortage of truck drivers locally and throughout the state. Sam Bowen, Dean of Customized Training & Continuing Education at Ridgewater College, has been actively involved with expanding the College's Commercial Driver's License (CDL) Training Program. One way to do that is to acquire two CDL simulators to be used for driver recruitment and training. This enables the College to increase the number of students it serves from 80 students a year to about 255 students a year, and to better fulfill the new federal regulations that are set to go into effect in February 2020 that will require new commercial vehicle operators to go through an approved training facility prior to testing. At the October 4<sup>th</sup> BRE Committee meeting, members unanimously voted to recommend to the EDC's Joint Operations Board that the EDC contribute \$2,500 to this expanded CDL Training Program at Ridgewater College. The EDC Board subsequently approved funding the grant. Sam submitted several successful grant proposals (SWIF, Bernick's Foundation, etc.) to help defray the cost of the simulators (each one costs \$90,000). Local businesses and other organizations also provided \$40,000 in local contributions. Along with state matching funds there was sufficient funding to order the first CDL simulator.

**Women on the Move.** The EDC assisted Ridgewater College and the Central Minnesota Jobs and Training Services with planning and implementation of a training opportunity for women interested in exploring careers in manufacturing. The 'Women on the Move' training session took place at Ridgewater College January 14<sup>th</sup> through the 29<sup>th</sup> with 11 women completing the course. The course was free of charge for women of color, low-income women and women over 50. The courses covered the basics of manufacturing concepts and skills, workplace safety, and opportunity to meet industry employers. A forklift training and certification was also offered to the participants.

**Business Expansion & Infrastructure. The EDC continues to involved with business expansion and infrastructure-related projects in Kandiyohi County. These include:**

**Epitopix Expansion/IBDPI Award.** In 2019 a notable project that the EDC worked on pertains to the sewer line extension needed to facilitate the Expansion of Epitopix and the award of an Innovative Business Development Public Infrastructure (IBDPI) Grant Award to the City of Willmar. Epitopix, LLC is a privately-held company located in Willmar, and is an affiliate of Vaxxinova, a company based in the Netherlands. Epitopix produces veterinary vaccines for the agricultural sector, selling vaccine throughout the U.S. for use in poultry, cattle, and swine. The parent company plans to accelerate

Epitopix's growth in animal vaccines and is prepared to invest over \$15 million in Willmar in capital investment and add 17 well-paying biotech jobs within Kandiyohi County. However, they currently have inadequate sewer service to the site and currently they have tanker trucks haul all the dirty water to the Willmar Wastewater Treatment Plant. Based on engineering calculations, the sanitary sewer line would run 6,400 linear feet and would cost approximately \$1.3 million.

On October 3<sup>rd</sup> the EDC submitted a grant application to the MN Dept. of Employment & Econ. Development (DEED) on behalf of the City of Willmar requesting \$1.3 million in state grant funds for the project. On October 25<sup>th</sup> the EDC received word that the DEED Commissioner Steve Grove had approved the \$1.3 million IBDPI grant with the City of Willmar for the Epitopix sewer line project. The line runs from the main north-south interceptor near the Willmar Industrial Park, west along the north side of the new Hwy 12, then north on 45<sup>th</sup> to the Epitopix production facility.

The EDC continues to work with the City Attorney and City Staff on several aspects of the project, including the grant agreement, property declarations, addressing questions regarding the requisite property interest, a related waterline extension, the land annexation necessary for the project, and the appropriate zoning. The City and EDC team held several planning meetings and conference calls regarding this project. On December 16<sup>th</sup> the Willmar City Council formally accepted the grant. In January 2020 approximately 81 acres of land were annexed into the City to accommodate the Epitopix project.

**Willmar Wye Project.** On July 9, 2019 groundbreaking was held for the Willmar Rail Connector and Industrial Access Project (also known as the Willmar Wye). This \$48 million project milestone represented the culmination of a lot work by the partners— BNSF Railway, MnDOT, Kandiyohi County, City of Willmar, EDC and the federal partners. Prior to the installation of two miles of railroad tracks, various road improvements and utility modifications are being undertaken. These include re-location of U.S. Hwy 12 to the south, the installation of two roundabouts on County 5, the construction of bridges over the railroad bypass, the re-routing of other roads. Significant road work on the new Hwy 12, MN Hwy 40, County Road 55, 15 and 5 began during the second half of 2019 and continued during the winter.

**Natural Gas Line Extension to Willmar Industrial Park 4<sup>th</sup> Addition.** Backes Technology was the second business to locate in the Willmar Industrial Park 4<sup>th</sup> Addition. Backes was able to hook up to municipal water, sewer, and electricity, but not natural gas. CenterPoint Energy, the natural gas supplier, had not extended service to the middle and northern portion of the 4<sup>th</sup> Addition; and the cost to extend a four-inch line over half a mile to Backes, a small telecom business, was substantial. The EDC worked with the City of Willmar (\$10,324) and the business (\$4,000) to split the cost of the natural gas line. Because the natural gas line would serve 13 other lots in the industrial park the

City was agreeable to this approach. During the summer of 2019 the EDC presented the cost share proposal to the Community Development Committee and the Willmar City Council and both unanimously agreed. CenterPoint obtained the necessary permits and installed the natural gas line all the way to Backes during the last week of October.

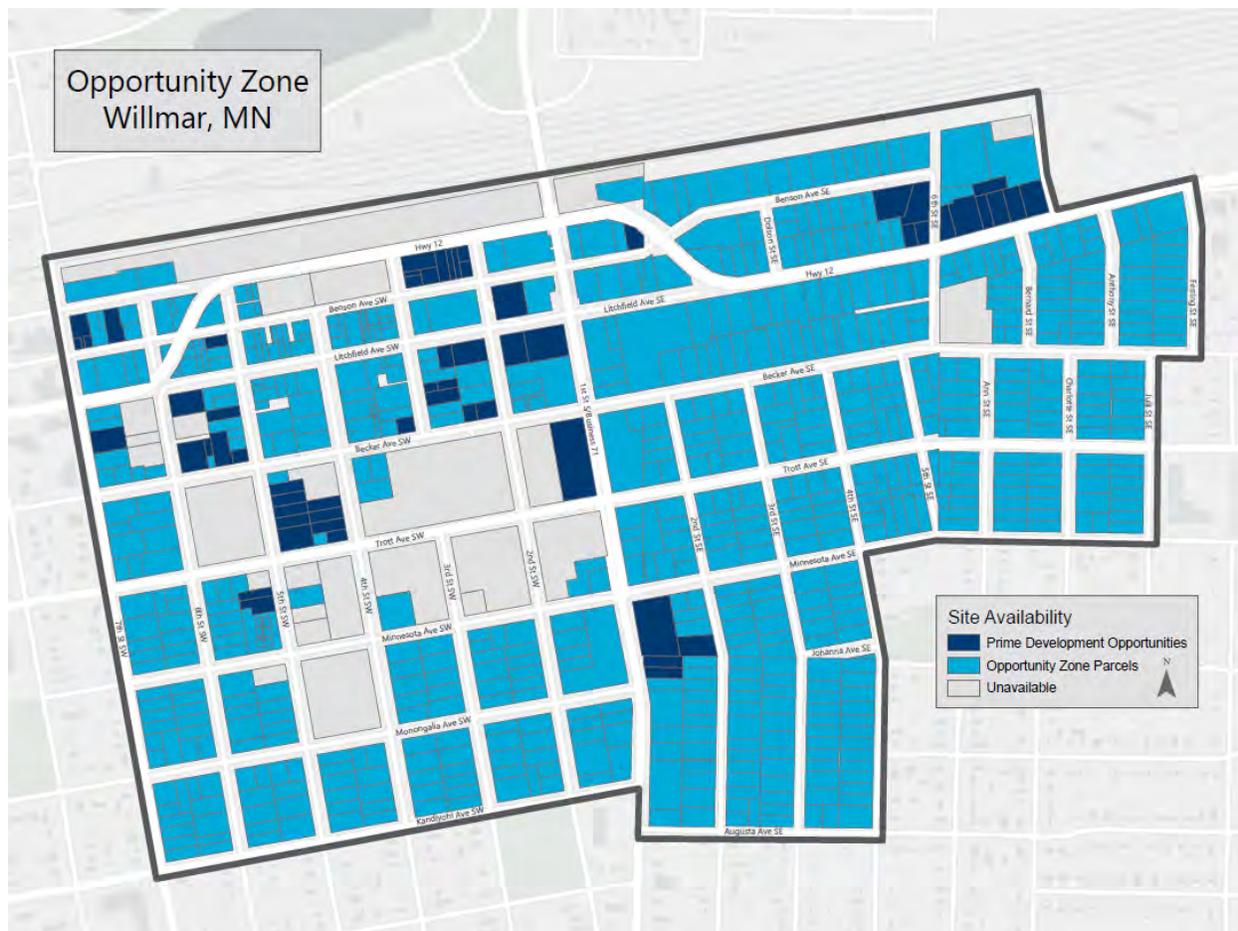
**Highway 23 Coalition.** During 2019 the Hwy 23 Coalition expanded its coverage to 14 cities and 10 counties and now covers from I-90 in Southwest Minnesota to I-35 in Northeast MN. At the end of the year the EDC reduced its role in terms of membership activities. Aaron Backman continues to serve on the Board as the Secretary/Treasurer. The Coalition continues to be active in support of improvements along the Hwy 23 Corridor. In terms of the two four-lane gaps that were funded with Corridors of Commerce funding in 2018, work continues on both segments. Bidletting for the North Gap is scheduled for November 2021 with construction in 2022 and 2023. Last year MnDOT District 8 moved up the timetable for the South Gap by one year. Bidletting for the South Gap is projected for December 2022 with construction in 2023 and 2024. The Coalition was supportive of an improved I-94/Hwy 23 Interchange, an important safety project near Waite Park. In 2019 MnDOT District 3 moved up the safety project by one year and began construction of that half clover improvement. In the Fall of 2019 at the General Membership meeting MnDOT Commissioner Anderson Kelliher announced the approval of the Intersection Safety Study at Hwy 23 and Hwy 7 in Clara City, another Coalition Priority. The safety study is expected to begin shortly.

### **Willmar Opportunity Zone Prospectus.**

In June of 2018 Governor Dayton selected 128 census tracts to be Qualified Opportunity Zones (QOZs). These are low-income areas that the federal government is encouraging investment by deferring taxation on capital gains until December 31, 2026, reducing gain that is taxed by up to 15%, and no tax on additional gain if property held for 10 years. There can be direct tax benefits to developers, developers can raise equity capital from investors who can use the tax benefit, and property owners can attract tenants who can use the tax benefits for capital costs.

In Kandiyohi County there is one approved Opportunity Zone located in Census Tract 780800 in Willmar. It covers the Downtown and some surrounding residential areas to the east of 1<sup>st</sup> Street and to the southwest. To take full advantage of the program, the EDC decided to undertake a significant marketing effort (a marketing strategy, a prospectus and other materials provided to potential investors). The EDC contracted with the Golden Shovel Agency, based in Little Falls, MN, which specializes in marketing for economic development organizations around the country. The cost of the contract (\$18,500) was split between the EDC and Willmar Main Street. The contract was executed in mid-September and the kick-off meeting held on September 18<sup>th</sup>. The Willmar Opportunity Zone (OZ) Team developing the prospectus included Ron Kresha, Golden Shovel COO; David Ramstad and Sarah Swedburg from the City P&Z/Main Street; Melissa Knott, Director of Marketing, Christianson & Assoc.; Lindsey Donner, REDstar Creative; Connie Schmoll and Aaron Backman, EDC. The OZ Team held several face-to-face and zoom conference meetings

and provided significant input regarding the development of the Willmar OZ Prospectus (below is a map developed for the prospectus).



By the beginning of January of 2020 the Willmar OZ Team had largely completed their work on the prospectus. Limited runs of this penultimate version were printed for site selectors, developers, local businesses, and investors. The development of the prospectus generated several positive news articles both in West Central Minnesota and beyond. Several developers and investors have contacted the EDC because of those articles.

**Community Video.** The EDC's Business Retention Expansion and Recruitment Committee appointed a subcommittee to explore ways to market the Kandiyohi County area for recruiting new businesses and securing additional workforce to the area. Subcommittee members Kelly TerWisscha, Dan Temple and Connie Schmoll explored options and recommended a fast-paced, amenity-focused video that could be shared broadly by the EDC and businesses in the County. Torry Norling of GACX Media constructed the video which includes local events, community features, and people working or having fun. He provided two videos, first, a 30-second teaser

with no narration, constructed to entice viewers to seek further information. The second video, a 4.3-minute video with narration, also fast paced which follows a business leader as he explains the benefits of living and working in Kandiyohi County and a family enjoying the amenities in the area. Some studies report that millennials are drawn to areas to live as much by the things to do as the job opportunities. The videos with the focus on attractions and things to do is sure to lure a few good workers to the area. They are currently posted on the EDC website, they have been shared with business leaders and Kandiyohi County Administration. A West Central Tribune article featuring the videos was published on February 25, 2020.

**Agriculture and Renewable Energy Development Committee** partnered with the MinnWest Technology Campus (MWTC) to merge their annual workshops. Connie Schmoll and Joanna Schrupp had discussion in 2018, while both were engaged in planning their workshops for 2018. MWTC was changing their workshop focus to secure participants from local producers as well as bio-technology and ag-science. The EDC in 2018, planned their first annual workshop and focused on talent and technology for farm owners/managers and the agribusiness people that serve producers. The goals were fairly close. So joint planning began after the 2018 conferences were completed. A new title was selected as “Partners Ag Innovation” and a mutual time to hold the conference was selected as end of July or beginning of August. The EDC agreed to keep the services of a professional event planner and raise the level of sponsorships to help pay for the professional service as well as well-known speakers on current issue relative to agriculture, ag-bioscience, technology and renewable energy. Some highlights from the 2019 conference included an address by Representative Collin Peterson, presentations on industrial hemp as a new crop for producers, and storytelling by Dan Tepfer from Kandiyohi Power Cooperative and Mateo Mackbee of Model Citizen. The keynote speaker, Darrin Newsome, a nationally known market columnist and technical analyst blogger spoke on the market outlook and marketing agriculture products.

The first Partners in Ag Innovation workshop, held on August 1, 2019, was a success with more than 125 agribusiness and producer attendees, over \$30,000 in sponsorships and more than \$5000 net profit to be held for subsequent workshops. The focus topic was marketing which was a clear fit for ag production in 2019. The next Partners in Ag Innovation Conference is planned for July 30, 2020.



A new subcommittee of **The Agriculture and Renewable Energy Development Committee** took hold in 2019 to research production and processing of industrial hemp. The crop, if regulations and markets are favorable, can offer new vigor for farm producers who have experienced market declines for current farm products due to a major reduction in export of farm products. The subcommittee has membership from neighboring areas including Swift, Renville and Chippewa Counties. The group has gained the attention of Agriculture Utilization & Research Institute, Charles Levine, a Minnesota processor of industrial hemp, a Canadian hempcrete company and Representative Collin Peterson's office. The group has narrowed its research focus to hemp fiber processing and graphene. Speakers have come to the meetings and potential sites for development have been toured.

### **Retail Business Design Workshop Program**

For several years the EDC sought workshop or training venues to aid retail businesses in the area. During 2019, a program aimed at revitalization of local retail sector was implemented. The EDC engaged a variety of partners to create a **Retail Business Design Workshop** series that included five merchandising workshops and five coaching sessions for small retailers in the greater Kandiyohi County area. Ultimately, there were ten partners in this effort—the U of MN Extension, U of MN College of Design, EDC, Willmar Main Street, Spicer Economic Development, City of New London, Willmar Area Community Foundation, United Way of West Central MN, Ridgewater College and the Willmar Lakes Area Chamber of Commerce.

A total of 22 participants representing 17 small retail businesses from the region participated in the workshop/coaching sessions over 10 weeks from February to April of 2019. Half the attendees were small retailers from Willmar. Other communities represented were Atwater (2 people), Belgrade, Morton, New London (3), Sauk Centre and Spicer (3). Of the 22 participants, 17 or 77% were women. Three diverse businesses (18%) participated, including 1 Latino and 2 Somali businesses. It is notable that 13 out of the 17 businesses or 76% were women-owned businesses. Types of businesses included: 4 boutiques, 2 clothing stores, 2 consignment stores, 2 ethnic grocery stores, 1 ethnic restaurant, 1 salon, 1 gun & ammo, 1 thrift store, 1 entertainment, 1 gift shop, and 1 flower farm business.

During the workshop series and following an application process, four of the business participants were matched with Jackie Parr, a University of Minnesota (U of M) College of Design doctoral student for additional one-on-one technical assistance (TA). Ms. Parr prepared a Business Brief that laid out findings (including marketing target market strategy, recommendations (including inventory recommendations, action plans, merchandising strategies) and other elements

When we surveyed participants afterwards, most participants ranked the presenters as very qualified and interesting (typically two-thirds or better of the participants gave the sessions the highest rankings). The retail participants were pleased with the sessions. So much so that they have continued meeting at member businesses on a bi-monthly basis to highlight what the host

business had implemented from the workshops and for other participant updates and for group discussions on various topics. Typically, 9 to 12 people have attended these follow-up sessions. The group is now starting to pick up small retailers that were not part of the workshop series, and its mailing list has been expanded from two dozen to over 50 businesses.

Because of the positive impacts of the program, the U of M Extension has been actively considering replicating this retail business design workshop series in other communities. It is also anticipated that Extension and other partners may develop and distribute a local economic development best practices guide for retail revitalization efforts to be replicated elsewhere.



Session 2 speaker, Jaye Thompson (Former Target Mgmt & Lecturer Professor within the College of Design's Retail Merchandising Program at the University of Minnesota) talks about target marketing to the workshop participants.



Abdiweli Yusuf, Owner of Amin Grocery in Willmar and one of the Workshop participants working at his new cash register location and with his new POS



Workshop Reunion on 10/2/19 at Camille's Closet in the City of New London

**EDC Revolving Loan Fund Businesses.** In June of 2019, revolving loan funds were approved for two Kandiyohi County businesses, K-Traps of Willmar located SW of Pennock and VP Enterprises, AKA Erickson Plumbing and Heating of Blomkest. K-Traps new owners Shawn and Joy Henkel are pleased to be operating the growing business which manufactures traps for minnow businesses throughout the U.S. Erickson Plumbing and Heating will retain the business name as it is well known by customers primarily in the a 50-mile radius surrounding Blomkest. Owners Kenneth Proctor and Ryan Vatnsdal own a plumbing and heating business in Alexandria as well as this new acquisition in Blomkest.

### **Other EDC-Assisted Projects**

**Simply Shrimp.** During the fall of 2019, Paul Damhof of Simply Shrimp, rural Blomkest, announced plans to expand by constructing a new, larger shrimp production facility. The EDC has been assisting Paul with access to funding assistance through Minnesota DEED programs. The EDC staff also assisted the business with hosting visits from US Senator Tina Smith's office and Minnesota Commissioner of Agriculture, Thom Petersen.

**Midtown Plaza Elevator Project.** During the first half of 2019 the EDC worked with Zack Mahboub to line up funding to install a new elevator in Midtown Plaza, a diverse business center that have 15 diverse businesses operating on two levels. Funding for the \$129,000 project came from the Southwest Initiative Foundation, Mid-Minnesota Development Commission, Home State Bank, and owner equity. The new elevator replaces the old freight elevator that had not operated for over 30 years (in the former Erickson Building in downtown Willmar). During July of 2019 contractors installed the new passenger elevator. The new elevator provides access to all three levels of the building, including a large meeting space in the basement area.



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# Kandiyohi County and City of Willmar EDC 2020 Planning

April 9, 2020

# What truly inspires and excites you about the current work of the EDC?

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Answered: 18 Skipped: 2

## EDC Staff

Vision

Passion

Knowledge

Quality

## Impact

Helping businesses grow

Making a difference in community/people's lives

Integral part of impact on communities

Working with others toward viable/successful outcomes

## Collaboration

Inclusive

Broad Stakeholder Engagement

Willingness to partner

Catalyst for initiatives

## Notoriety

For EDC/County

Marketing the Area

## Specific work:

Hwy 23

Incentive/Opportunity zones

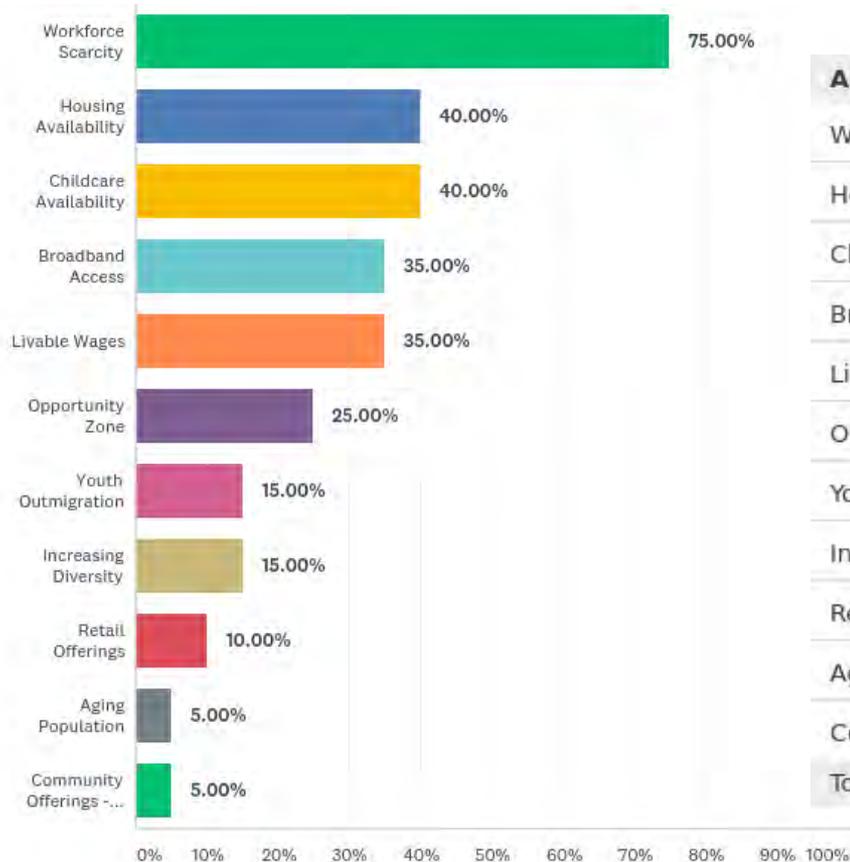
Job creation

Sub Committee work

Broadband

# Considering the following trends, please select the three that you feel are most likely to influence the direction of the EDC.

Answered: 20 Skipped: 0



ANSWER CHOICES	RESPONSES	
Workforce Scarcity	75.00%	15
Housing Availability	40.00%	8
Childcare Availability	40.00%	8
Broadband Access	35.00%	7
Livable Wages	35.00%	7
Opportunity Zone	25.00%	5
Youth Outmigration	15.00%	3
Increasing Diversity	15.00%	3
Retail Offerings	10.00%	2
Aging Population	5.00%	1
Community Offerings - Amenities and Activities	5.00%	1
Total Respondents: 20		

# Please rank the items below (from 1 as most essential to 10 as least essential) when describing the essential work of the EDC?

Answered: 20 Skipped: 0



CATEGORY	HIGH (1,2,3)	MID (4,5,6,7)	LOW (8, 9, 10)	RANK SCORE	Description
<b>Child Care</b>	11	6	3	6.9	Supporting private and public partners in addressing the need for adequate child care throughout the County
<b>Business Support</b>	9	8	3	6.65	Providing technical & financial assistance, gap loans, and entrepreneurial assistance, such as diverse business owner programs
<b>Workforce</b>	8	7	5	6.2	Supporting events/programs such as West Central MN Area Job Fair, CLUES workforce programs, and Diverse CNA/Welding classes
<b>BR &amp; E Surveys</b>	8	6	6	6.2	Undertaking Business, Retention, And Expansion surveys to better understand local business needs
<b>Broadband</b>	5	11	4	5.8	Supporting partners to extend high-speed broadband to all parts of Kandiyohi County
<b>Marketing</b>	6	8	6	5.65	Expanding social media and other marketing efforts to promote the area locally, regionally and nationally
<b>Housing</b>	4	8	8	4.75	Supporting and providing leadership for a variety of housing projects (affordable, senior, single-family, market-rate, etc.)
<b>Infrastructure</b>	4	8	8	4.45	Supporting partners in efforts such as Willmar Railroad Wye; Hwy 23 Coalition; Industrial Park expansions, etc.
<b>Agriculture Feasibility</b>	2	11	7	4.4	Supporting feasibility studies for new agricultural ventures (money and staff time)
<b>Agriculture Events</b>	3	7	10	4	Planning/hosting events such as the proposed 2019 Partners in Ag Innovation Conference in Willmar

## 2019 Goal Areas

- Workforce Development
- Business Support
- Child Care
- Agricultural Innovation
- Broadband



### *Fireside Chat: A Conversation on Ag State & Federal Perspectives*

Moderator **Dustin Kotrba** – Christianman PLLP  
**Andrea Vaubel**, Deputy Commissioner – MN Dept of Agriculture  
**Keith Jones**, Sr. Professional Staff, US House of Representatives,  
Committee on Agriculture, Collin C. Peterson Chairman



What actions/work in 2020 would have the greatest impact for the communities/region the EDC serves?

Answered: 18 Skipped: 2

**Housing** **Child care**  
**Workforce** **Opportunity Zone**  
**Marketing**  
Business Attraction, **Retention**, Expansion

Other:

- The Mall
- Broadband
- Education of Services
- Private sector investment
- Combined incentives
- Industrial park
- Dining options
- Infrastructure Development

**COVID-19:**

- 367,000 applied for unemployment benefits in last 3 weeks; more than total number of applicants for all of 2019
- Business retention needs
- Child care needs
- Workforce needs

# Who might we serve in better ways in the future? How might we serve them?

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Answered: 11 Skipped: 9

*“Those with the entrepreneurial spirit and those that provide consistent employment.”*

## Businesses/Employers

- Diverse businesses/entrepreneurs/representatives
- Existing employers
- New/Growing Small Businesses
- Multifamily Housing Developers
- Areas ready for development outside Willmar

**Responsiveness with COVID-19  
Business Assistance Loans**

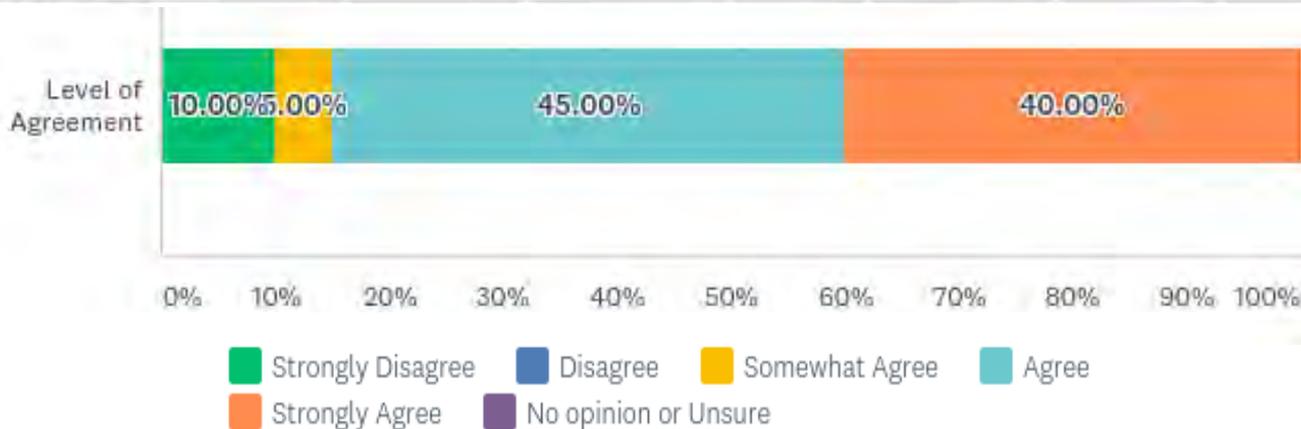
**What else may they need to  
pull through and/or recover?**

**What specific sectors might  
need advanced help?**

The EDC engages a broad mix of constituents that reflect the communities they serve in their work. (Indicate your level of agreement with this statement.)

Answered: 20 Skipped: 0

	STRONGLY DISAGREE	DISAGREE	SOMEWHAT AGREE	AGREE	STRONGLY AGREE	NO OPINION OR UNSURE	TOTAL	WEIGHTED AVERAGE
Level of Agreement	10.00% 2	0.00% 0	5.00% 1	45.00% 9	40.00% 8	0.00% 0	20	4.05



What will be different in Kandiyohi County area if the EDC is successful in meeting its objectives over the next 2-3 years?

(Based on current objectives)

Answered: 16 Skipped: 4

**Housing** **Child care**  
**Workforce** **Broadband**

Other:

- Hwy 23
- Population
- Retail
- Tax base
- Opportunity Zone
- Business partnerships

*“We will have a stable workforce to meet employment demands; workers will have access to quality child care they can afford; and more people will chose to live and stay here.”*

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*Thank You!*



Cheryl K. Glaeser

[Cheryl@achieverestultstogether.com](mailto:Cheryl@achieverestultstogether.com)

320-583-7526

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