

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BUSINESS RETENTION & EXPANSION/RECRUITMENT (BRE) COMMITTEE

MINUTES

January 8, 2021

Via ZOOM Video Conference

Present: Sam Bowen, Samantha Crow, Jim Ellingson, Les Heitke, Roger Imdieke, Jennifer Mendoza, Les Nelson and Dean Steinwand

Excused: Bridget Paulson, Ranae Rahn and Kelly TerWisscha

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

Guest: Dion Warne, Sr. Vice President, Home State Bank

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc. (LAA)

Chair Sam Bowen called the meeting to order at approximately 9:05 a.m. and welcomed Dion Warne.

AGENDA

IT WAS MOVED BY Les Nelson, SECONDED BY Jim Ellingson, to approve the Agenda as emailed. MOTION CARRIED.

MINUTES

IT WAS MOVED BY Les Heitke, SECONDED BY Samantha Crow, to approve the November 6, 2020 Minutes as emailed. MOTION CARRIED.

Presentation: Willmar Ten Proposal for new Willmar City Hall/Community Center. Dion Warne gave an overview of Willmar Ten, a member organization formed approximately 40 years ago. The organization owns seven buildings in Willmar. In 2019, Andy Weiner of RockStep Capital suggested the former Herberger's space for the Willmar City Hall, but it did not materialize. Last summer when J.C. Penney closed, Kelly TerWisscha suggested combining the Willmar City Hall and the Willmar Community Center into the 52,000 sq. foot space (one-half for the City Hall and one-half for the Community Center). Warne showed a conceptual drawing with possible artwork of the former downtown Willmar area. There would be two separate entrances and the parking lot to the north would be improved. A letter of intent was prepared with RockStep. Eventually the city of Willmar would own the building even if the mall was no longer in business. Warne noted the J.C. Penney addition was built after the mall. Warne shared Willmar Ten could purchase the building

and develop it according to the city of Willmar's specifications and at a reduced cost; the City Hall Task Force was in favor of the suggestion. Warne commented the Willmar Community Center would be centrally located compared to its current location in north Willmar. Willmar Ten has received support from individuals who attend Willmar Community Center activities. Other benefits would include easy access, many senior citizens currently walk at the mall for exercise and Community Center participants would not have to relocate while a new building was built at the current site. Warne reported they are trying to work with the Willmar City Council and will not ask for TIF or Tax Abatements. Warne stated having the Willmar City Hall and Willmar Community Center at the mall may entice other businesses to build along Fifth Street and may increase mall traffic. The city of Willmar would prefer Willmar Ten remodel and finish the space and then the city would buy it; the city has a \$10.5 million budget. Warne commented the remodel would take approximately one year. TerWisscha will be preparing a cost estimate. Brian Gramentz, Willmar City Administrator, will obtain a cost estimate from the proposed developer of the current Community Center site.

Question/Answer Session:

- Backman thanked Warne for the interesting presentation. He likes the idea of remodeling the J.C. Penney space rather than the Herberger's location (half the size and closer to Fifth Street SE).
- Connie Schmoll felt it may bring additional mall traffic.

[Roger Imdieke and Jennifer Mendoza joined the meeting.]

- Chair Bowen felt it is a good option for the city and an opportunity to increase businesses along Fifth Street.
- Heitke inquired if the city would own the parking lot and how would the city finance the purchase. Warne reported a survey has not been done, but the plan is to purchase three to four acres; cross agreements for the parking lot would be drawn up and would include ample parking. Warne shared the south side may be a drop off space for Community Center participants. Warne explained the financing and discussed the use of reserve funds, local open sales tax or bonding. Other options will be explored.
- Chair Bowen inquired if there are arguments against the project? Warne is not aware of any unless the cost is more than to raze and rebuild the current Community Center.
- Backman shared some people may want City Hall to remain downtown, but there are space limitations.
- Heitke wondered if the new City Council members would support the J.C. Penney proposal.
- Discussion was held regarding costs to maintain the J.C. Penney location, including HVAC system(s) and janitorial services.
- Jim Ellingson thanked Warne for the interesting presentation.
- Crow feels the J.C. Penney proposal is exciting and gives people more reasons to visit the mall.
- Jennifer Mendoza feels it makes sense to have the City Hall and Community Center located in the mall.

Backman inquired if this committee should take a position on the proposal as he felt it is of value to have the committee's support. Chair Bowen suggested tabling endorsement of the concept for a

couple of months. The committee would like to hear a presentation from the city on the concept. Backman suggested having a city representative attend a future committee meeting to give the city's perspective. Chair Bowen will reach out to Mayor Calvin or a task force member and report back to the committee. The topic will be placed on the February agenda.

REPORTS

CLUES Update/Diverse Classes. Mendoza reported the last CNA class began with eight students and finished with five; the five will test for certification. Mendoza reported three students finished the book portion of the CDL training and two students are close to completing the course. One student recently began the class. Mendoza shared the students came from referrals.

CLUES Rapid Response Program/Computer Initiative. Mendoza reported CLUES received assistance from the EDC's COVID-19 Pandemic Relief (CPR) Grant Program and ordered 30 computers to assist students. CLUES has computer classes that will help students at various levels of computer experience. Mendoza shared beginning January 19th, CLUES will offer four additional technology classes: ESL, GED, Digital Literacy and Citizenship. CLUES will be reaching out to individuals for assistance. She mentioned CLUES will also be providing winter gloves for individuals who need them.

Backman inquired as to the Ridgewater College CDL simulator. Chair Bowen reported things have been positive; students are finishing the bookwork and getting permits to start simulator training. There currently are approximately 10 students. COVID-19 has slowed the use of the simulator.

EDC Ag Committee Events. Schmoll shared there will be a Biofuels Workshop via webinar on January 27 from 7:30-9:00 a.m. Jamey Cline of Christianson PLLP will present information on the interaction of the agriculture and renewable fuels industries. Christianson PLLP is sponsoring the webinar free of charge. Schmoll commented registration information is on the EDC's Facebook page.

The Partners in Ag Innovation Conference planning team continues to prepare for the conference that will be held on July 29, 2021 (8:30 a.m.-12:15 p.m.). The conference is free to attendees and will be held virtually from the MinnWest Technology Campus. Schmoll shared there is a good lineup of speakers who will present information on the shrimp industry, dairy, markets, economy for farming and more.

Schmoll reported the Industrial Hemp Exploratory Subcommittee continues to work on the industrial hemp issue and shared a group from Renville County is looking for space for industrial hemp processing. At the January 21st Ag Committee meeting, Andrew Gomer of Nova-Tech Engineering will give a presentation how they work in other countries, such as Cambodia, to successfully use Nova-Tech equipment in their unique environments. She encouraged members of this committee to attend and will send the ZOOM link to those interested.

UNFINISHED BUSINESS

EDC Pandemic Response Update. Backman reported \$3.7 million of assistance has been disbursed to Kandiyohi County; \$3.5 million related to CARES Act funding. He thanked Kandiyohi County for allowing the EDC to disburse the CARES Act funds through its CPR Grant Program that went to 270 entities (232 businesses and 38 nonprofit organizations). Since the conclusion of the CPR Grant Program, EDC staff has been involved in getting documents from grant recipients on how the monies were spent.

Additional Funding. Backman announced the state of Minnesota passed a \$216.5 million COVID-19 relief package in December for three areas: 1) Department of Revenue (DOR) will directly send funds to restaurants and other entities closed by the latest Executive Order; 2) the Department of Employment and Economic Development (DEED) will disburse funds to convention centers and cinemas; and 3) a County Relief Funding Program for counties to provide grants to local businesses and nonprofits. Kandiyohi County received \$830,000 and asked the EDC to disburse the funds. The County and the EDC created the Minnesota Pandemic Relief (MPR) Grant Program for these funds. At a joint special meeting between the EDC's Finance Committee and Joint Operations Board, both approved the MPR Grant Program. The EDC is working with Larry Kleindl and Jean Spaulding at Kandiyohi County. The EDC began accepting MPR applications on January 8, 2021; the application deadline is February 17, 2021.

CDL Program with Central Minnesota Jobs & Training Services. Bridget Paulson was unable to attend today's meeting, but Backman reported five students have participated in the diverse CDL program with Central Minnesota Jobs & Training Services.

Workforce Needs Forum. Mendoza and Chair Bowen continue to work on workforce needs and agree to move forward on a broad workforce forum. Chair Bowen mentioned the forum may be sponsored by partners, i.e., CLUES, Ridgewater College, Willmar Lakes Area Chamber of Commerce, etc. to develop an open forum to discuss where businesses are at with COVID-19, hiring practices and other issues. He is hopeful a quarterly workforce needs forum can be held in the region. More information will be shared at the next committee meeting.

Other. Backman announced Schmoll will be retiring the end of May. He discussed the EDC Boards' Planning Session held each spring; he will suggest to the boards to hold the planning session via ZOOM in April.

Nelson shared Mid-Minnesota Development Commission has hired two new employees; 1) Terry Smith, as Regional Transportation Coordinator; and 2) Michelle Marotzke, who works with Kandiyohi and Meeker Counties.

Crow reported the real estate business slows down in the winter, but is very busy in the summer. Inventory is very low.

Backman reported the EDC is working with five potential housing developers, who are interested in constructing four multi-family projects and one single-family subdivision. The developers are interested in Willmar as it is a growing regional center.

Ellingson reported business is normal; however, there was a slow time in late fall.

Discussion was held on the COVID vaccine disbursement; Imdieke and Ellingson shared the tier schedule.

Discussion was held on student enrollment at Ridgewater College.

Backman shared the meeting time for this committee may change and will be discussed at the February meeting.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 10:33 a.m.

NEXT MEETING—The next committee meeting is **9:00 a.m., Friday, February 5, 2021**, via ZOOM video conference.