

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
FINANCE COMMITTEE
MINUTES
April 12, 2016
EDC Board Room, Willmar

Present: Matt Behm, Nick Dalton, Les Nelson, Justin Schnichels and Randy Zinda

Excused: Gary Gilman, Bruce Peterson and Russ Weeks

Guests: Tyler Gehrking, Kandiyohi County CEO Program Facilitator, and Lynn Zeppelin of United Prairie Bank

Staff: Connie Schmoll, Business Development Specialist

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

Chairperson Matt Behm called the meeting to order at approximately 12:06 p.m. Connie Schmoll introduced Lynn Zeppelin of United Prairie Bank, who is interested in being a committee member followed by self introductions.

MINUTES

IT WAS MOVED BY Nick Dalton, SECONDED BY Justin Schnichels, to approve the minutes of the February 9, 2016 meeting as presented. MOTION CARRIED.

UNFINISHED BUSINESS—There was no unfinished business.

NEW BUSINESS

Loan updates. Schmoll informed the committee that Historic 313 on Fourth Street was informed of the revised loan terms. The committee reviewed Historic 313's Balance Sheet and Profit & Loss reports (see copies on file) and was informed that Spurs Restaurant signed a lease for the northwest corner of the building and a Pizza and Wine Bar signed a notice of intent. The committee received reports of all outstanding loans. Schmoll reported Peaceful Thymes Gifts & Garden Center will begin making full payments in May. Nick Dalton reported the sale of Angels & Ivy closed today; the inventory for Inspirations Books and Gifts was liquidated with approximately \$1,000 in jewelry left to be liquidated; and a claim on the loan guarantee will not be processed until approximately July or August after the probate of Karen Baalson's estate is completed.

Kandiyohi County Creating Entrepreneurial Opportunities (CEO) loan program. Tyler Gehrking reported each student loan request included a business plan and banker recommendation. Three students still need to provide additional information. Gehrking explained the CEO program and

stated this year's class has 20 students, 19 of whom applied for a loan. Students apply to be in the program and come from the Atwater-Cosmos-Grove City, New London-Spicer and Willmar school districts. Each day the students meet at a different business where a business representative speaks to the class; they have had 65 guest speakers to date. The goals of the class are to 1) sell advertising; 2) run a fund-raising event; and 3) start their own business. Next year's class will have 22 students chosen from 45 applicants. The students will hold a trade show May 16 to advertise their business and an alumni event the day before. The committee discussed parameters for repayment of the loans and suggested a goal of 50% repayment. Gehrking stated the CEO board will discuss minimum loan repayments. To date, 3 out of 12 students from last year repaid their loans. Gehrking stated they are in the beginning stages of how to track alumni. Three graduates from last year are still running their businesses. The committee reviewed each loan application and corresponding bank recommendation. Justin Schnichels noted many business plans lacked tangible marketing data and he recommended they contact the EDC. Schnichels noted Aaron Roeder needs to provide more information before a loan is approved.

IT WAS MOVED BY Les Nelson, SECONDED BY Nick Dalton, to approve the following loans through the Kandiyohi County Creating Entrepreneurial Opportunities loan program:

Nate Ackerman	\$250
Charlotte Ammermann	\$599
Bobbie Bangasser	\$599
Alayna Baggenstoss	\$599
Erica Borchert	\$240
Addie Erickson	\$300
Erich Feist	\$599
Ingrid Figenskau	\$599
Chloe Halvorson	\$599
Brennan Holien	\$350
Jenna Jagow	\$599
Anika Olson	\$400
Martha Roberts	\$500
Lyle Schmidt	\$599
Bergen Vollan	\$599

The committee agreed to approve the three remaining student loans via email once all requested information is received and there is a banker recommendation.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 12:56 p.m.

NEXT MEETING—The next committee meeting is 12 noon, Tuesday, May 10, 2016 at the EDC office.