

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)**  
**FINANCE COMMITTEE**  
**MEETING MINUTES**  
**May 12, 2020**  
**Via Teleconference**

Present: Matt Behm, Kerry Johnson, Travis Jones, Les Nelson, Jeff Welker and Randy Zinda

Absent: Nick Dalton and Justin Schnichels

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

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Chairperson Matt Behm called the meeting to order at approximately 12:04 p.m.

**AGENDA**—There were no changes to the Agenda.

**MINUTES**—

IT WAS MOVED BY Les Nelson, SECONDED BY Jeff Welker, to approve the Minutes of the April 14 and April 28, 2020 meetings as emailed. MOTION CARRIED.

**UNFINISHED BUSINESS**—Aaron Backman gave an update on the COVID-19 Business Assistance Loan (COBAL) Program noting 45 businesses have received information on COBAL and 22 other businesses received information on Small Business Administration programs. Out of 45 eligible businesses, 27 completed applications; 18 loans have been closed to date. A breakdown of the industry sectors are 7 restaurants, 4 barbershop/hair salons, 2 gyms, 1 yoga, 2 massage and 2 other service businesses. Nearly 200 jobs are connected to the 27 businesses that have applied.

**NEW BUSINESS**

**COBAL Loan Reviews.** The committee reviewed the following loan applications:

- Nimco Queen LLC. Backman provided information on Nimco Queen LLC, which does henna. The business meets the loan criteria and all documentation, including a credit report, has been

received and reviewed. EDC staff is recommending approval of a \$2,500 loan. The funds would be used to pay rent, utilities and business expenses.

IT WAS MOVED BY Kerry Johnson, SECONDED BY Les Nelson, to approve a 24-month \$2,500 COVID-19 Business Assistance Loan to Nimco Queen LLC with a six-month payment deferral. MOTION CARRIED.

- Mill Pond Salon. Connie Schmoll provided information on Mill Pond Salon. All documents have been received, including a credit report. The business meets the loan criteria. The funds would be used to pay rent, insurance and supplies to re-open the business. EDC staff is recommending approval of the \$5,000 request.

IT WAS MOVED BY Travis Jones, SECONDED BY Randy Zinda, to approve a 24-month \$5,000 COVID-19 Business Assistance Loan to Wollschlager Enterprises LLC, doing business as Mill Pond Salon, with a six-month payment deferral. MOTION CARRIED.

Backman gave an update on Mude Transportation, which does long-haul contracts across the United States. Mude Transportation was previously declined for an EDC loan, but Backman has been working with Southwest Initiative Foundation (SWIF) as to possible funding.

**SWIF Grant for New Immigrant Businesses.** Backman stated the EDC has an opportunity to receive \$25,000 from SWIF, through the Minnesota Disaster Recovery Fund, to create a grant program for new immigrant businesses in Kandiyohi County. Grants would be between \$500-\$750 for smaller immigrant-owned businesses that have been operating between five months and seven years. Uses of the grant funds would be for working capital, rent, utilities, taxes, etc. The business must be registered with the Minnesota Secretary of State. No fees or credit reports would be done, but some financial information would be requested. Businesses that have already received COBAL funds would not be eligible. The program would run through mid-October with about 30-40 grants being anticipated. SWIF would reimburse the EDC for any costs related to the program. The EDC would provide SWIF with a final grant report. SWIF has had its attorney review the proposed program.

IT WAS MOVED BY Les Nelson, SECONDED BY Travis Jones, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission Joint Operations Board that it approve receiving a \$25,000 grant from Southwest Initiative Foundation to create an Immigrant Business Disaster Relief Grant Program. MOTION CARRIED.

Backman acknowledged the local banks for their participation in the Small Business Administration's Paycheck Protection Program (PPP). Committee members provided information

on PPP loans done by their financial institutions. In terms of economic trends, Backman provided housing statistics for the region.

Backman and Schmoll will let the committee know if there are loan applications to review on May 19<sup>th</sup>.

**ADJOURNMENT**—There being no other business, the meeting was adjourned at approximately 12:38 p.m.

**NEXT MEETING**—The next special committee meeting is tentatively set for **11 a.m., Tuesday, May 19, 2020** via teleconference.