

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)

FINANCE COMMITTEE

SPECIAL MEETING MINUTES

May 26, 2020

Via Teleconference

Present: Matt Behm, Nick Dalton, Travis Jones, Les Nelson and Randy Zinda

Excused: Kerry Johnson and Justin Schnichels

Absent: Jeff Welker

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 11:09 a.m.

NEW BUSINESS

Southwest Initiative Foundation Immigrant Grant. Aaron Backman provided information on the Immigrant Business Disaster Relief Grant Program. Funding of \$25,000 was provided to the EDC by Southwest Initiative Foundation (SWIF) under the Minnesota Disaster Recovery Fund due to the Coronavirus pandemic. Backman stated the grant application and information will be translated into Spanish, Somali and Karen. Grant awards will be between \$500 and \$750 and will be used for working capital, rent, utilities, taxes, etc. If an applicant has received funds through the EDC's Covid-19 Business Assistance Loan (COBAL) Program, they are illegible for this grant. A grant report will be due to SWIF at the end of the program. SWIF will also reimburse the EDC for any expenses related to the program.

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

- El Viejon Jazz-N-Java Mariscos y Tacos. Connie Schmoll provided information on El Viejon Jazz-N-Java Mariscos y Tacos, which is located next to Whitney Music and owned by Genoveva Ayon. The business meets the loan criteria. All documentation, including a credit report, has been received and reviewed. EDC staff is recommending approval of a \$5,000 loan. The funds would be used to pay for rent, utilities and business expenses.

IT WAS MOVED BY Nick Dalton, SECONDED BY Les Nelson, to approve a 24-month \$5,000 loan under the Kandiyohi County and City of Willmar Economic Development Commission's Covid-19 Business Assistance Loan Program to Genoveva Ayon, doing business as El Viejon Jazz-N-Java Mariscos y Tacos, with a six-month payment deferral. MOTION CARRIED.

- Paisley Threads L.L.C. Schmoll provided information on Paisley Threads L.L.C. of New London. All documents have been received, including a credit report. No action was taken as the business does not meet the loan criteria as being closed by the Governor's Executive Orders.

Discussion was held on whether or not to ask the EDC Joint Operations Board if the COBAL Program should be opened up to a larger audience. Backman stated there is approximately \$52,000 remaining in the fund and the program is to go until July 2020. The committee discussed and recommended any balance remaining in the loan program be reserved. Nick Dalton asked if the \$52,000 should be exhausted or leave funds for any businesses that have been affected by the Governor's Executive Orders and difficulties with reopening their businesses. Members discussed allocating \$25,000 for businesses under the current COBAL program criteria and \$25,000 for broadening the program to additional businesses.

IT WAS MOVED BY Les Nelson, SECONDED BY Nick Dalton, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission Joint Operations Board that of the funds remaining in the COVID-19 Business Assistance Loan Program, \$25,000 be reserved for businesses under the current loan program criteria and \$25,000 be used to broaden the program. MOTION CARRIED.

SWIF Immigrant Business Disaster Relief Grant Reviews. Backman noted several grant applications have been received and the committee reviewed the following:

- Badane Tailor LLC. Backman provided information on Badane Tailor LLC located in Midtown Plaza in downtown Willmar. The owner Ibrahim Duale has requested a grant of \$750, but staff is recommending \$500. The business is registered with the Minnesota Secretary of State and copies of his tax return was received.

IT WAS MOVED BY Randy Zinda, SECONDED BY Travis Jones, to approve grant of \$500 under the Immigrant Business Disaster Relief Grant program to Badane Tailor LLC. MOTION CARRIED.

- N&H Carrier L.L.C. Backman provided information on N&H Carrier L.L.C. indicating tax returns were received. Grant funds will be used for vehicle insurance. EDC staff is recommending a grant of \$650.

IT WAS MOVED BY Nick Dalton, SECONDED BY Les Nelson, to approve a \$650 grant under the Immigrant Business Disaster Relief Grant program to N&H Carrier L.L.C. MOTION CARRIED.

- Bismilahi Kids Shopping Center L.L.C. Backman provided information on Bismilahi Kids Shopping Center located at Midtown Plaza in Willmar. Grant funds would be used for rent. EDC staff is recommending a grant of \$500.

IT WAS MOVED BY Randy Zinda, SECONDED BY Travis Jones, to approve a \$500 grant under the Immigrant Business Disaster Relief Grant program to Bismilahi Kids Shopping Center L.L.C. MOTION CARRIED.

- Spurs Corporation. Backman provided information on Spurs Corporation. The 2019 tax return was received. Five individuals work at the restaurant and EDC staff is recommending a grant of \$750. This committee approved a four-month deferral of their EDC loan for four months. They did not request a loan under the COBAL program.

IT WAS MOVED BY Les Nelson, SECONDED BY Nick Dalton, to approve a \$750 grant under the Immigrant Business Disaster Relief Grant program to Spurs Corporation. MOTION CARRIED.

- Happy Family Asian Grocery Store LLC. Schmoll provided information on Happy Family Asian Grocery Store LLC. The business is registered with the Minnesota Secretary of State. They have four individuals working at the store and EDC staff is recommending a grant of \$750.

IT WAS MOVED BY Nick Dalton, SECONDED BY Les Nelson, to approve a \$750 grant under the Immigrant Business Disaster Relief Grant program to Happy Family Asian Grocery Store LLC. MOTION CARRIED.

Revolving Loan Fund. Schmoll reported the EDC has received another request from the Willmar Child Care Center L.L.C. (WCCC) for a deferment of its loan with the EDC. Information requested from WCCC has been received. First Children’s Finance has assigned an individual to work with WCCC and is considering an operating loan for WCCC. SWIF automatically deferred all of its loans due to the pandemic. Nelson stated the loan through Mid-Minnesota Development Commission has also been deferred.

IT WAS MOVED BY Randy Zinda, SECONDED BY Nick Dalton, to approve a three-month deferral of the Kandiyohi County and City of Willmar Economic Development Commission Revolving Loan Fund loan to Willmar Child Care Center L.L.C. MOTION CARRIED.

Backman stated additional grant applications have been received so the committee will meet on June 2nd.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 11:48 p.m.

NEXT MEETING—The next special committee meeting is **11 a.m., Tuesday, June 2, 2020** via teleconference.