

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
MARKETING AND PUBLIC RELATIONS COMMITTEE**

**MINUTES**

**June 28, 2021**

**Multi-Tech Conference Room, MinnWest Technology Campus and via Zoom Video Conference**

Present: Donna Boonstra, Jesse Gislason, Pam Rosenau and Joanna Schrupp

Excused: Melissa Knott, Emily Lien and Brittany VanDerBill

Staff: Aaron Backman, Executive Director and Sarah Swedburg, Business Development Manager

Guest: Elizabeth Dyrdal, Business Development Coordinator, MinnWest Technology Campus

Secretarial: Cathy Skindelien, Legal & Administrative Assistants, Inc.

Vice Chairperson Pam Rosenau called the meeting to order at approximately 12:03 p.m.

Joanna Schrupp introduced Elizabeth Dyrdal, Business Development Coordinator for the MinnWest Technology Campus. Dyrdal would like to join the Marketing and Public Relations Committee, and Schrupp will resign. Introductions were made.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Jesse Gislason to accept with regrets the resignation of Joanna Schrupp, and to accept Elizabeth Dyrdal as a member of the Kandiyohi County and City of Willmar Economic Development Commission's Marketing and Public Relations Committee. MOTION CARRIED.

Vice Chair Rosenau asked if the EDC will continue with hybrid committee meetings. Aaron Backman responded the Joint Operations Board and the Joint Powers Board have been meeting at the downtown Heritage Bank Community Room, and the committees will move toward in-person meetings in bigger settings with some committees continuing to have the hybrid meetings.

**MINUTES—**

IT WAS MOVED BY Jesse Gislason, SECONDED BY Joanna Schrupp to approve the Minutes of the May 24, 2021 meeting as emailed. MOTION CARRIED.

**Social Media Statistics.** Backman reported that during the period of 5/24 to 6/22/2021, Facebook post reach was up 17%, while page views and post engagement both declined. The top three posts were as follows:

1. New public art project in Willmar, including a mural and a sculpture.

2. New London's Porchfest, where a new city stage was dedicated to the late Mayor Bill Gossman.
3. Farmers Market Homegrown and Handmade in New London, which opened on June 11th.

Gislason was also recognized for five years in business at Alley on Ash. In that timeframe Gislason has upgraded the business's kitchen, making it more efficient. Alley on Ash is a sponsor of the Stingers and advertises at the local ball field. They use Facebook for the majority of their marketing. Coupons are distributed after the Stingers games, buy one get one free on a burger basket, which draws in people who are not from New London. The Stingers have been a good partner, and Alley on Ash feeds three of the baseball teams during the summer.

Backman reported that website statistics were low-key and modest for most of the month although there was a spike on June 7<sup>th</sup>. The gender balance is approximately 54% female and 46% male. There were 1450 visitors, 1259 which were new. The highest age demographic was in the 25 to 34-year range. Rosenau asked about Willmar Fest. Sarah Swedburg reported the Taste of Downtown event was revived as part of the Block Party and was a success. One hundred tickets were available and all were sold. There were nine restaurants involved in the downtown area and all were packed.

#### **UNFINISHED BUSINESS—**

**Elevate Business Academy.** Swedburg reported the first Elevate class graduated and their ceremony was held at the Willmar Entertainment and Arts Center. REDstar was the photographer for the event. Ten'7 Media was contracted to create testimonial videos of the five students, with the purpose of leveraging public relations and increasing investors. This class was a good mix of those who currently own a business, are working on growing their businesses or are opening a new business. Backman commented that all the partners were pleased with the Elevate graduation ceremony. There were approximately 50 attendees. Diana Anderson from the Southwest Initiative Foundation (SWIF) was the keynote speaker. Planning has begun for the Fall session. SWIF allocated \$28,000 for the first Elevate class and Scott Marquardt, Senior Vice President of SWIF, supports allocating \$20,000 for the next class. Fund raising will need to be done to make up the remainder, and local lenders will be targeted. Pioneer PBS and West Central Tribune both attended the graduation and plan to do stories about the class in general in addition to reporting on the graduation.

**Broadband Project.** Swedburg reported the Broadband and Advance Technology Committee is currently working with five providers on six projects in Kandiyohi County, including a new project that will use National Telecommunications and Information Administration (NTIA) funds with Federated Telephone Cooperative in Lake Andrew, Norway Lake and Colfax Townships. The legislature is on track to allocate \$70 million to the Border-to-Border Grant, although it has been moved from the general bonding bill into the jobs bill. Letters were sent continuing to encourage the \$70 million allocation and to ensure there were no policy changes regarding the use of fiber and other benchmarks. Education on broadband continues to be in the forefront and letters of support from township residents are encouraged. Michelle Marotzke from the Mid-Minnesota Development Commission has created a flyer for the Federated border-to-border project, containing information about meetings scheduled at the townships in July and funding for these projects. Marketing projects in the future could include a marketing campaign, flyer or social media content that emphasizes basic education for residents of rural Kandiyohi County. Vice Chair Rosenau

commented that the biggest questions are: why do I have to pay for it, will this change what I have, and what will it bring to me? Another issue is speed: residents assume they are getting the speed that is listed on their bill, but that is not always the case. In-person training is a necessity. Gislason asked if the purpose of the broadband project is for businesses or homes? Backman responded it varies by household, and there are businesses in the area including farm operations. Broadband is becoming critical to farming as more and more equipment is computerized. Data needs to be uploaded from tractors to computers. Gislason asked about Starlink. Rosenau replied that Starlink is a satellite company that works with the Rural Digital Opportunity Fund (RDOF). Starlink will be doing mobile internet. This has latency issues, it can take a long time to load, but is improving.

**EDC Marketing Position.** Backman reported the Joint Operations Board unanimously approved a job description for the marketing position. The budget containing the annualized cost for the position has also been approved and this information has been given to Larry Kleindl, the County Administrator. The position will be 80% time, and will interface with all EDC committees. It will be paid for with existing funds reallocated from working with consultants, utilizing existing reserves and reducing other budget items. Backman has requested in the 2022 budget an additional \$22,000 for the county levy, which is a 4.1% increase over last year. There was no budget increase for 2021. This request will be brought to the Joint Powers Board in July and if approved, the EDC will move forward with advertising the position in late summer. The Employee Handbook will be updated to reflect changes in workforce activities, such as working remotely. Backman is confident the EDC will get candidates for this position, as the 80% time coupled with the ability to work from home two days per week will make the position attractive.

#### **NEW BUSINESS—**

**EDC Trifold Brochure.** Swedburg reported on the changes made to the EDC trifold brochure, including Swedburg's picture and contact information, new photos and the new Elevate program. The brochure needs to be completed in time for the site selector meeting in July, which will be attended by Swedburg. Comments were requested. In response to a comment on the group setting pictures, Backman responded they are meant to reflect collaborative relationships.

**Industrial Hemp Flyer.** Swedburg reported the subcommittee is utilizing the Ag brochure template as a guide for an Industrial Hemp flyer; the goal is to create both an Industrial Hemp flyer and an updated Ag flyer that can be used for site selectors and educational purposes. The Industrial Hemp brochure is still in the information-gathering stage, but needs to be available to present to the Industrial Hemp Subcommittee at its July meeting. Backman added there are other marketing pieces in the works, including a health care brochure.

Backman reported the Business Retention and Expansion/Recruitment (BRE) Committee created two subcommittees, the Workforce Development Subcommittee chaired by Sam Bowen and the Business Support Subcommittee chaired by Bridget Paulson. The subcommittees will be project-driven with ongoing activities and will report back to the BRE Committee, which will now meet quarterly. One of the project goals identified was to expose 200 high school students to local businesses, another project was a virtual job fair to attract people from the Twin Cities area.







**Opportunity Zone Prospectus Update.** Backman reported the Opportunity Zone Prospectus has been one of the EDC's more effective pieces when working with developers. Over 100 copies were made and there are only three left. In the last three months it has been used a number of times. Presentations are also created depending on the potential site. The current prospectus still has Connie Schmoll listed as a contact and needs to be updated. Other suggestions were requested. Schrupp asked how often this piece is used in PDF form, Swedburg responded the hard copy is used more often when meeting in person with a developer. They receive the Opportunity Zone (OZ) prospectus plus a presentation containing a list of prospective sites which they visit after their meeting. Rosenau asked if any of the information gets questioned during meetings. Backman replied the map on page 4 prompts questions about which of the dark blue spots (prime development areas) would be recommended. Additional maps could have the top three areas listed. A statement containing more information on the map was recommended. Creating a separate Renaissance Zone (RZ) prospectus was also discussed. The OZ is a federal designation with federal incentives. The RZ is a local incentive package that encompasses the OZ plus a little more. In the OZ a landowner must sell property to get the benefits, while there is an opportunity for investing in the RZ. The RZ incentives were crucial to the success of the Block 25 project. The RZ prospectus would be updated from the OZ prospectus. It would take several months to pull the information together, but it would limit the number of changes necessary on the OZ prospectus to an update on investments in Willmar and the personnel information. Another suggestion was removing the Mattress Firm picture since it is no longer in business. It could be replaced with a picture of the WYE project.

**NEXT MEETING**—The next meeting is **12 noon, Monday, July 26, 2021** in-person at the Multi-Tech Conference Room, MinnWest Technology Campus and via ZOOM video conference.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at approximately 1:16 p.m.

# facebook

## Results from May 24 to June 22, 2021

	<b>786</b>		<b>1,450</b> ↑17%		<b>59</b> ↓46%
Total Page Likes		Post Reach		Page Views	
	<b>3</b>		<b>219</b> ↓33%		<b>3</b> ↓56%
Page Likes		Post Engagement		Page Followers	
				Total Page Followers	<b>938</b>

## 38 Posts from May 24 – June 22, 2021

f Page engagement (all) > Type		
Reactions	↗ 16	21
Shares	↗ 2	4
Comments	↗ 2	2

Post traffic clicks — 22

Page content clicks — 28

## TOP 6 POSTS 5/24 to 6/22/2021



Kandiyohi County & City of Willmar EDC

May 25 · 🌐

With funds from Blue Cross Blue Shield, a new public art project will be going up in downtown Willmar. A mural and sculpture are being created to represent the Willmar Welcoming Resolution passed by the Willmar City Council in 2018. Read the full article at the West Central Tribune <https://www.wctrib.com/.../7003540-A-welcoming-Willmar-bringi...>



658 People Reached

16 Reactions, Comments & Shares 🔍

13



Like

1

On Post

12

On Shares

1



Love

0

On Post

1

On Shares

0

Comments

0

On Post

0

On Shares

2

Shares

2

On Post

0

On Shares

32 Post Clicks

1

Photo Views

20

Link Clicks 🔍

11

Other Clicks 🔍

NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page



Kandiyohi County & City of Willmar EDC

May 28 · 🌐

Celebrate with the New London community at its inaugural New London Porchfest! On Saturday, June 5, 2021 the community will celebrate a very dear and special person. The Mayor will be dedicating the city stage to the late Mayor Bill Gossman and also announcing June 7 as Bill Gossman Day. Porchfest will include more than a dozen musicians in several locations across the city. The event is FREE and open to the public. Check New London Arts Alliance for updates and more information.



248 People Reached

5 Likes, Comments & Shares 🔍

3

Likes

1

On Post

2

On Shares

0

Comments

0

On Post

0

On Shares

2

Shares

2

On Post

0

On Shares

1

Post Clicks

0

Photo Views

0

Link Clicks 🔍

1

Other Clicks 🔍

NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts





Kandiyohi County & City of Willmar EDC

June 11 · 🌐

It's finally here! Seems like we've been waiting forever. New London Farmers Market "Homegrown and Handmade" opens tomorrow at 8 a.m. until noon. Stop by for some homemade goodness.



205 People Reached

3 Likes, Comments & Shares ⓘ

2 Likes

2 On Post

0 On Shares

0 Comments

0 On Post

0 On Shares

1 Shares

1 On Post

0 On Shares

12 Post Clicks

5 Photo Views

0 Link Clicks ⓘ

7 Other Clicks ⓘ

NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts



Kandiyohi County & City of Willmar EDC

June 14 · 🌐

Mark your calendars! Lucky Duck is holding the grand opening of its New London store this Thursday, June 17th!



174 People Reached

5 Likes, Comments & Shares ⓘ

4 Likes

4 On Post

0 On Shares

0 Comments

0 On Post

0 On Shares

1 Shares

1 On Post

0 On Shares

3 Post Clicks

0 Photo Views

0 Link Clicks ⓘ

3 Other Clicks ⓘ

NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts



## Kandiyohi County & City of Willmar EDC

May 27 · 🌐

Congratulations to Colleen Thompson-Michels on 50 years of membership with the Willmar Lakes Area Chamber of Commerce! Throughout most of her professional career Colleen served as faculty and in leadership positions at Ridgewater College, including six years as its president (1998-2003). During Colleen's tenure at Ridgewater College she also served on the board of the EDC's predecessor and as its board chair.

Pictured left to right are Chamber Diplomat Jon Schmidt (Data Success), Chair-Elect Jared Voge (Bolton and Menk), Colleen Thompson-Michels, President Ken Warner, Chair Paul Kuehneman (Jennie-O), Board Member Alana Ziehl (Kandiyohi County Food Shelf), and Diplomat Suzanne Hass (Allstate Insurance).



124 People Reached

6 Likes, Comments & Shares ⓘ

6

Likes

6

On Post

0

On Shares

0

Comments

0

On Post

0

On Shares

0

Shares

0

On Post

0

On Shares

2 Post Clicks

2

Photo Views

0

Link Clicks ⓘ

0

Other Clicks ⓘ

### NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

Reported stats may be delayed from what appears on posts



## Kandiyohi County & City of Willmar EDC

June 1 · 🌐

The EDC congratulates its Joint Operations Board member, Jesse Gislason, and his business partner, Roby, on celebrating five years in business this month as Alley On Ash!



110 People Reached

2 Likes, Comments & Shares ⓘ

2

Likes

2

On Post

0

On Shares

0

Comments

0

On Post

0

On Shares

0

Shares

0

On Post

0

On Shares

0 Post Clicks

0

Photo Views

0

Link Clicks ⓘ

0

Other Clicks ⓘ

### NEGATIVE FEEDBACK

0 Hide Post

0 Hide All Posts

0 Report as Spam

0 Unlike Page

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The Kandiyohi County and City of Willmar EDC has **built collaborative relationships** with our city and county governments, private industry and community organizations. We address economic development for West Central Minnesota's business hub.

The EDC has provided **visionary leadership** in several regional projects:



Assisting with the development of the MinnWest Technology Campus



Expanding the Willmar Industrial Park and securing "shovel-ready" certification



Rejuvenating Hwy 23 Coalition and leading efforts to obtain \$105 million in funding



Securing housing developer for \$9.3 million 15th Street Flats Project



Facilitating financing for Little Crow Golf Resort in the New London-Spicer area



Promoting Willmar's diverse business community



**Aaron Backman**

Economic  
Development  
Director

aaron@kandiyohi.com



**Sarah Swedburg**

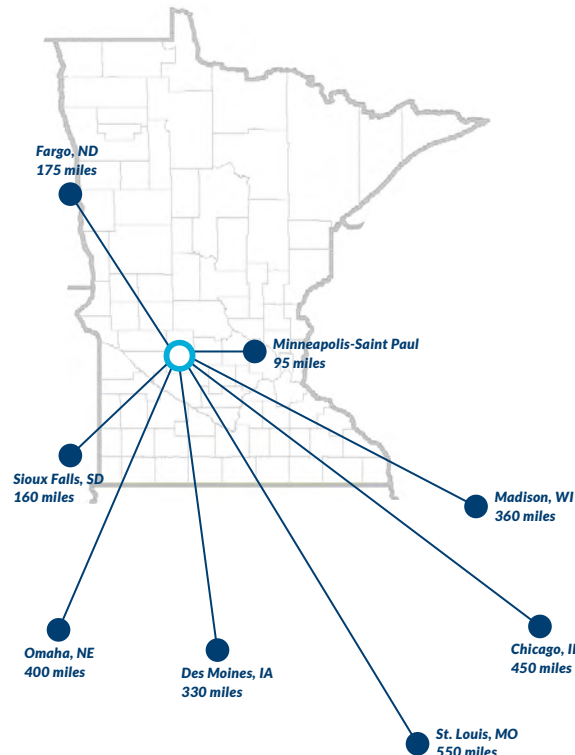
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Kandiyohi County & City of Willmar  
ECONOMIC DEVELOPMENT COMMISSION



OPEN *for* BUSINESS



## OUR FOCUS

### ADVOCACY

We advocate for the local business community by providing customized support, consulting and mentoring programs. We also provide access to critical funding sources and assist in the application process.

### RETENTION

We support our local business community by providing customized business retention, expansion and relocation support. It's our goal to assist startups by providing access to funding opportunities and our growing entrepreneurial network.

### RECRUITMENT

We actively recruit businesses to our area in the industries best suited to our local economy: healthcare, manufacturing, ag innovation, renewable energy, biotechnology and retail.

### MARKETING

We work closely with our marketing committee to promote our community in order to attract targeted businesses and talent from all sectors.



Proudly serving these communities:

Atwater | Blomkest | Kandiyohi | Lake Lillian  
New London | Pennock | Prinsburg | Raymond  
Spicer | Sunburg | Willmar

## AREA HIGHLIGHTS



REGIONAL HEALTHCARE CENTER



COMMUNITY & TECHNICAL COLLEGE



RESEARCH & TECHNOLOGY CAMPUS



PARKS & TRAILS



REGIONAL AIRPORT & RAIL HUB



**The mission** of the Kandiyohi County and City of Willmar Economic Development Commission is to be a catalyst for economic growth of the greater Kandiyohi County area.

**Kandiyohi County / Willmar Lakes Area** is a vital, growing, regional center in the heart of West Central Minnesota. The total population of the region has surpassed 103,500 and is growing. Willmar is a diversified, growing, micropolitan city. The Minnesota demographer forecasts continued growth because of our diverse economy, technology and ag-related industries as well as tourism.



Ag Innovation



Medical



Advanced  
Manufacturing



Retail /  
Restaurants





Kandiyohi County & City of Willmar  
ECONOMIC DEVELOPMENT COMMISSION

# OPPORTUNITY ZONE PROSPECTUS

Prepared by the Kandiyohi County and City of Willmar Economic Development Commission



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## INCREASE

Willmar's population is up 9% since 2000.



## INNOVATIVE

regional investments in the fields of animal vaccine, metal fabrication, food processing, and value-added agriculture.



## MINNWEST TECHNOLOGY CAMPUS

business community currently accommodating over 30 agribusiness, bioscience and other innovative companies who are global leaders.



## GROWTH

Kandiyohi County's labor force has risen by 5.4% from 2010 to 2018.



## INCLUSION STRATEGIES

by community leaders maintain a goal of equitable and diverse growth for all segments of the community.





## VIBRANT

arts community and rich cultural diversity featuring distinctive events and over 80 ethnic businesses.



## COMMUNITY-BUILT

19,000 square foot, fully-accessible Destination Playground is one of the many recreational opportunities for families.



## WIDESPREAD

access to 200Mbps download speeds gives innovative companies the needed bandwidth to succeed.



## SIGNIFICANTLY

lower cost of living than other areas of Minnesota with annual property taxes between \$800-\$1,499.



## AMBITIOUS

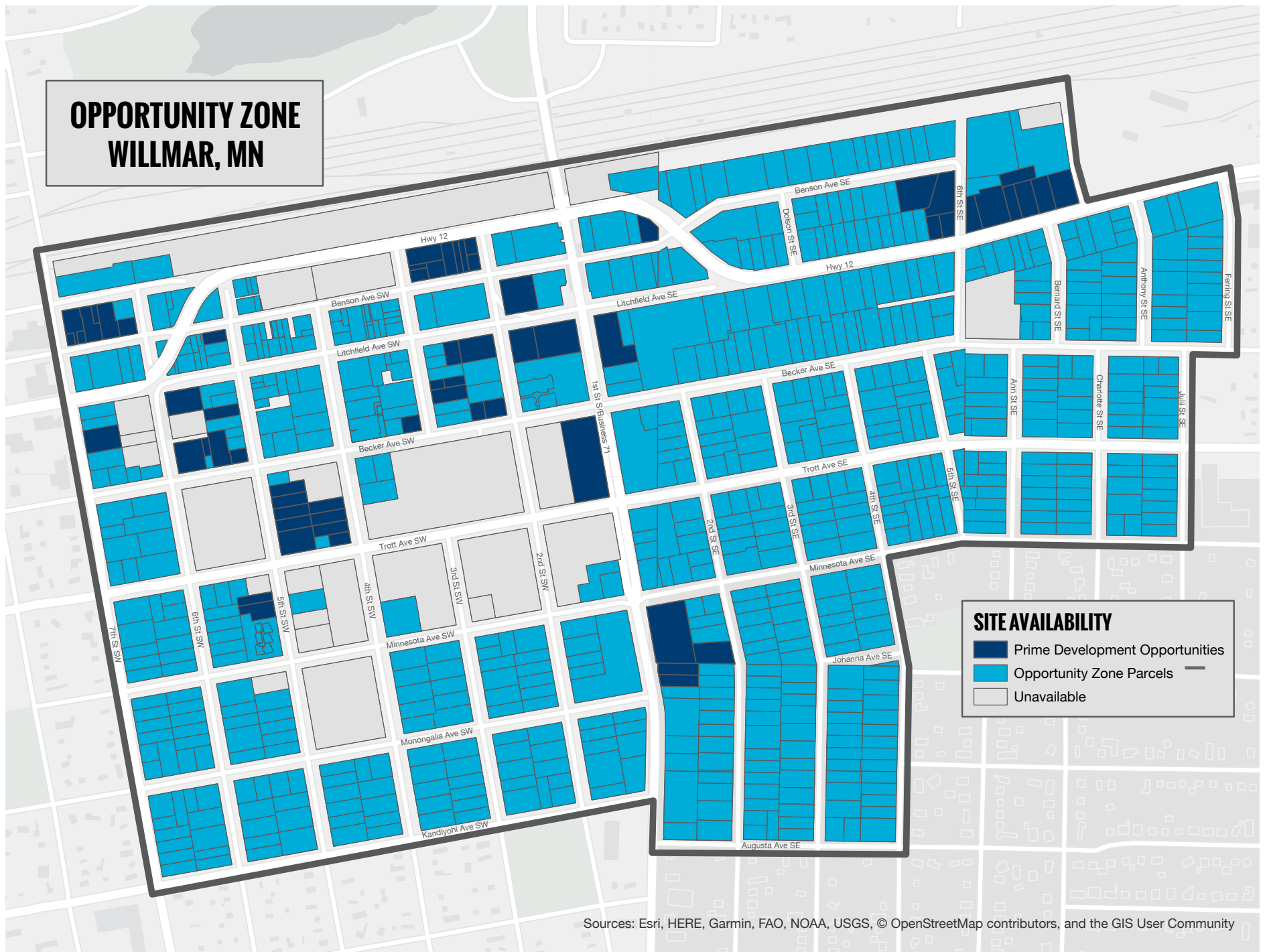
economic development leaders collaborating with community leaders to offer the best possible opportunity zone investments.



*"The way this community [Willmar] has embraced its growing workforce, its immigrant workforce, and is navigating those challenges is really a model for the rest of the state."*

**Steve Grove, DEED Commissioner  
& former Google Executive**

# OPPORTUNITY ZONE WILLMAR, MN



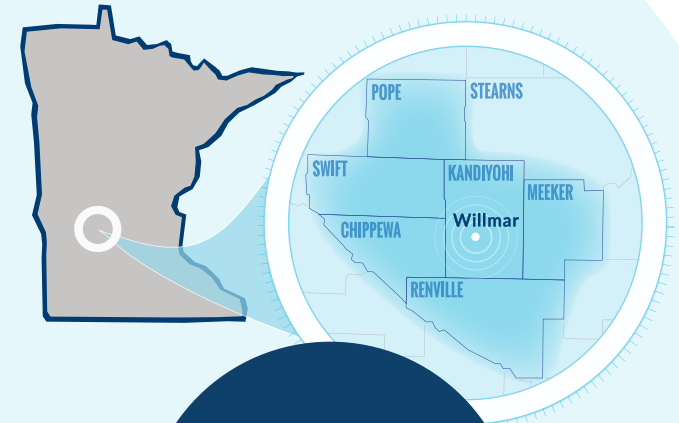
Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

# LOCATION OVERVIEW

Willmar's diverse economy and population provide new and existing businesses the right socio-economic environment for growth and success. Located 90 miles west of Minneapolis/St. Paul, this county seat with 20,000+ residents, offers the key transportation routes needed for today's businesses.

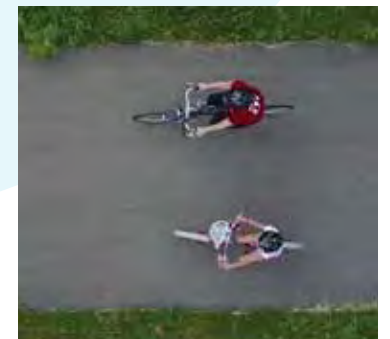
Originally established on a railroad town in 1869, Willmar is surrounded by productive farmlands and scenic lakes. This vibrant community supports robust medical, technology, service and value-added sectors.

Willmar, the largest city in Kandiyohi County, is a regional center for advanced manufacturing, agricultural biosciences, healthcare, and retail service and hospitality. These industries generate employment opportunities and livable wages for thousands of families in the surrounding communities.



## FAST FACT

Nearly 12,000 employees commute to Willmar for work on a daily basis.



# INDUSTRIES



## FAST FACT

Private investment  
in the MinnWest  
Technology Campus now  
exceeds \$17 million.

## ADVANCED MANUFACTURING

The Willmar area hosts emerging regional technologies in the fields of food manufacturing, robotics, and advanced agriculture. Companies like Select Genetics, Nova-Tech Engineering, DI Labs, Epitopix, and RELCO have access to a thriving, highly-skilled workforce provided by Ridgewater College and the University of Minnesota's Mid-Central Research and Outreach Center (MCROC). Cooperation with educational programs and Ridgewater College allow business leaders to help prepare the future workforce.



## AGRICULTURE

Willmar is a prime location for agribusiness, bioscience, and technology businesses and is home to industry leaders. Jennie-O, the nation's largest turkey processing company, and RELCO, the world's third-largest dairy equipment manufacturer, are located in Willmar's Industrial Park. Epitopix, an affiliate of the Netherlands' company, Vaxxinova, is a veterinary biologics research, development, and manufacturing company located in Willmar. Nova-Tech Engineering, situated on the MinnWest Technology Campus, manufactures and leases poultry-treating equipment used globally.



## MEDICAL

As a regional medical center, Kandiyohi County has state-of-the-art facilities and hundreds of medical providers who provide outstanding care. At every stage of your life, Kandiyohi County has healthcare options for almost every circumstance. There are over 5,000 healthcare jobs in Kandiyohi County, making it the region's top industry and that number continues to grow.



# GROWTH

Healthcare and social assistance are the largest and fastest growing industries and may account for up to 40 percent of the projected growth. Construction, professional services, technical services and agriculture represent areas of expected further growth.

During 2019 several notable construction projects were underway or completed, including, the Ziegler Cat sales and service center (a \$15 million project), 15th Street Flats multi-family housing project (a \$9.3 million project), the Child & Adolescent Behavioral Health Services (an \$8.7 million project), and Unique Opportunities' multi-family housing project (a \$4.8 million project). Notably, in 2019, Policom ranked Willmar as the top Micropolitan community in Minnesota and #66 in the country.

The projected growth continues to build the confidence in business owners and community leaders who support expansion. Willmar's Opportunity Zone is an ideal location for investors wishing to tap into the city's future.

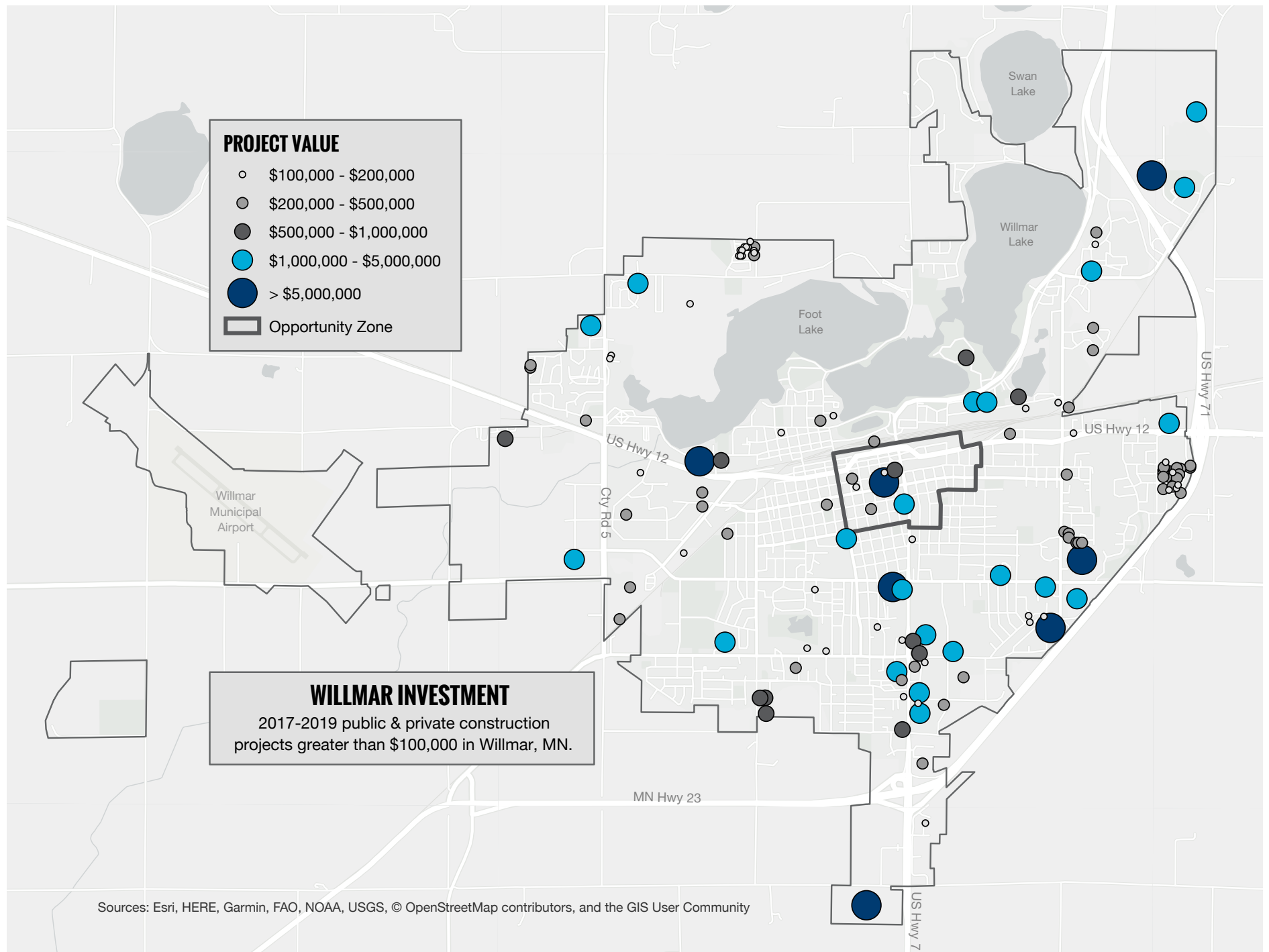
## FAST FACT

From 2016 to 2019, there has been \$190 million in commercial, industrial, institutional, and residential construction in Willmar.



*"The Willmar Lakes Area is full of people deeply invested in our communities. They dream big dreams, step up to lead and roll up their sleeves to make things happen not only from a business mindset, but from a quality of life perspective."*

**Sara Carlson, Executive Director • Willmar Area Community Foundation**



# WORKFORCE

Willmar is the regional center for West Central Minnesota and extends employment opportunities into the six contiguous counties of Chippewa, Meeker, Pope, Renville, Swift and Kandiyohi. Of the 103,000 residents, over 65,000 are employed earning an average household income of \$51,859. Almost 90% of the residents have a high school or higher level of education with 18% holding a bachelor's degree or higher.

Willmar continues to see steady increases in the number of workers aged 20 to 44 years and gains in workers over 65 years of age. The 25 to 54-year-old age group is the largest contributor to Willmar's labor force, accounting for 58 percent of the total. Latino and East African working populations increasingly contribute to Willmar's workforce. As with many areas of the U.S., access to a steady or growing workforce is critical to future area economic development.

"The way this community has embraced its growing workforce, its immigrant workforce, and is navigating those challenges is really a model for the rest of the state," Steve Grove, MN DEED Commissioner, said in an interview following an hour-long question-and-answer exchange with about 30 business and community leaders at the MinnWest Technology Campus.

## FAST FACT

From 2010 to 2018 Kandiyohi County's labor force grew three times as fast as its overall population growth





# EDUCATION

Ridgewater College, with campuses in Willmar and Hutchinson, boasts of several highly ranked programs: Ridgewater's Computer-Aided Drafting (CAD) Associate Degree is ranked #2 in the U.S. Its Nondestructive Testing (NDT) Program in the Hutchinson campus is ranked in the top 18 programs in the U.S. Its Nursing Program is ranked 5th in Minnesota. Ridgewater's Dairy Management Program is Minnesota's only two-year dairy program. Moreover, the college's Customized Training and Continuing Education Department serves nearly 10,000 individuals a year.

With an average yearly enrollment of 4,500 students and rated #1 among Minnesota Community Colleges, Ridgewater College is an essential asset for the Willmar community and employers.<sup>1</sup>

<sup>1</sup>Niche.com



*“Ridgewater College has set a priority goal to eliminate the achievement gaps in our student population, aimed at ensuring that all members of our community achieve their full potential for career and life success.”*

**Dr. Craig Johnson, President •  
Ridgewater College**





# TRANSPORTATION/DISTRIBUTION

Willmar's comprehensive transportation network has an abundance of modalities to keep goods and services moving through Kandiyohi County.

As a regional trade center for West Central Minnesota, one of the key elements in the city's plans is enhanced freight connectivity for industrial development. The \$48 million Willmar Rail Wye Project provides access, the opportunity to expand businesses, and create jobs. With this rail spur, the Willmar Industrial Park will be served by all three major freight modes - air, rail, and trucking.

## FAST FACT

Each day 17,000 vehicles travel through the Opportunity Zone on 1st Street/Business 71 alone.

The Willmar Industrial Park to the west of the Opportunity Zone is stimulated by The Burlington Northern Santa Fe Class I Railroad. Minnesota's most active railway connections travel through Willmar providing superior access for our companies.

Highway Business 71 goes through the Willmar Opportunity Zone and connects with two major highways, US Highway 12 and MN Highway 23.

The Willmar Municipal Airport sufficiently accommodates business jets and cargo planes with the paved 5,500-foot runway. This airport offers precision instrument approach, non-precision instrument approach, and aircraft storage. Business travelers and owners have access to a full-service, fixed-base operator (FBO) without the congestion of a metro airport.

# CAPITAL INVESTMENT

Kandiyohi County has experienced sustained growth over the past six years with investments occurring in medical, manufacturing, institutional, retail, and housing.

Private investment in the MinnWest Technology Campus now exceeds \$17 million since 2006.

Highway 23 Coalition successfully lobbied for \$105 million in Corridors of Commerce funding to expand two-lane gaps to four lanes extending north from Willmar.

From 2016-2018, approximately \$63 million has been invested in housing in Kandiyohi County (including Willmar) creating over 300 multi-family and single-family housing units, and over 150 housing units are underway in 2020.

In the last two years, education investments include a newly constructed \$27 million Lakeland Elementary school in Willmar and a \$25 million Performing Arts Center/Gymnasium addition in the New London-Spicer School District.

Implementation of the Rural Child Care Innovation Program has a total of 210 new spaces in two new childcare centers that are under construction.

## FAST FACT

Public and private investment in Willmar's Central Business District exceeded \$21 million over the last six years.







# INCLUSION STRATEGY

The City of Willmar is working towards equitable and inclusive growth for all segments of the community. Our inclusion process is evidenced by the successful participation of large Latino and East African populations that continue to grow the business community of Willmar and the surrounding area.

The 2017 Diverse BRE Survey identified 31 East African businesses, 27 Latino businesses and at least 8 Asian businesses in Willmar. Almost half of the Latino businesses have been operating for more than 10 years, and a fifth of the Latino businesses have been started within the last two years. Businesses created by the Somali population are more recent with one third in operation for over 10 years and one third starting in the last two years.



Successful Opportunity Zone (OZ) development will increase economic growth, security and mobility for all Willmar residents and reduce racial wealth gaps. Developers, builders, and investors will have equal access to opportunities in the zone. The Opportunity Zone drives investments that foster mixed-income housing, affordability, and security for families most at risk of displacement, including low-income households and households with new Americans. Investments are expected to drive equitable growth and prosperity for current low-income residents and communities of new Americans within the zone.

Community groups and leaders continue to intentionally pursue equity throughout all facets of life in the Willmar area.

## FAST FACT

Kandiyohi County leaders understand the benefits of social and economic diversity and maintain a goal of equitable and inclusive growth for all segments of the community.

*“A healthy Willmar is an equitable and inclusive community where everyone is empowered, valued and treated with dignity.”*

**Willmar Human Rights Commission**



# INCENTIVES

Kandiyohi County & City of Willmar Economic Development Commission (EDC) provides technical and financial assistance to businesses (both direct loans and loan guarantees). The EDC can develop and submit funding applications to the Minnesota Department of Employment & Economic Development (DEED) on behalf of companies.

Southwest Initiative Foundation (SWIF) provides business loans in West Central and Southwest Minnesota communities. SWIF can finance up to \$300,000 for equipment, inventory, working capital and real estate.

West Central Angel Fund is Willmar-based and focuses on early to mid-stage investments in high-tech and growth companies. 28 investors have committed \$1.5 million to the fund.

Business & Industry (B & I) Loan Guarantees through USDA. This program is only available in rural areas with populations under 50,000. The maximum loan guarantee is 80% for up to \$5 million.

The EDC can also collaborate with the City of Willmar's Planning & Development Services Department on Tax Increment Financing (TIF) and Tax Abatement financial assistance for projects in the Willmar Opportunity Zone.

## FAST FACT

City officials pursuing additional layers of incentives to be added to the OZ capital gains tax incentives.

## FAST FACT

Development-friendly city issuing around \$50 million in construction permits annually



# PROPERTY TAXES

This chart shows that households in Willmar, MN distributed according to applicable tax rates compared to the national averages. Willmar households pay taxes in the \$800-\$1,499 range (Census Bureau).

County Rate	59.15
City of Willmar Rate	38.076
Willmar School District Rate	24.05
Countywide HRA Rate	1.091
Countywide EDC and MMDC Rate	1.147
<b>Total for Willmar Residents</b>	<b>123.514</b>

*County rates the same for all cities but the city and school amounts vary.*

## FAST FACT

The overall index cost of living is almost 32% lower in Willmar than in the Minneapolis, Minnesota metropolitan area. Minneapolis area housing costs are 68% higher and transportation costs more than 82% higher than in Willmar.



# REFERENCES

## PAGE NOTE

## SOURCE

2	Willmar's population is up 9% since 2000	In 2000, the U.S. Census listed Willmar's population as 18,351. In 2010, the U.S. Census listed Willmar's population as 19,610, an increase of 6.97%. In June 2018, Susan Brower, MN State Demographer, indicated Willmar's population was 20,008 or a 9.0% increase.
2	Kandiyohi County's labor force has risen by 5.4% from 2010 to 2018	Luke Greiner, Regional Analyst, MN DEED, May 2019, in Kandiyohi County Profile Report, Table II.
3	Arts community and rich cultural diversity featuring distinctive events and over 80 ethnic businesses	Aaron Backman, Executive Director, Kandiyohi Co. & City of Willmar EDC, Business Retention & Expansion (BRE) Program for Diverse Businesses in the Willmar Area (July 2017 and more recent data)
3	Lower cost of living than the Twin Cities and other metropolitan areas of Minnesota with average annual property taxes ranging between \$800-\$1,499	Mark Thompson, Kandiyohi County Auditor/Treasurer; Sperling's Best Places, 2019 Cost of Living Calculator
5	Nearly 12,000 employees commute to Willmar for work on a daily basis	Luke Greiner, Regional Analyst, MN DEED, June 2018, the data from State of Minnesota is from 2015
6	Private investment in the MinnWest Technology Campus now exceeds \$17 million	Joanna Schrupp, General Manager, MinnWest Technology Campus, September 2019.
8	From 2016 to 2019, there has been \$190 million in commercial, industrial, institutional and residential construction in Willmar	Bruce Peterson and Dave Ramstad, Planning & Development Services, City of Willmar.
10	From 2010 to 2019 Kandiyohi County's labor force grew three times as fast as its overall population growth	Luke Greiner, Regional Analyst, MN DEED, May 2019.
12	Each day 17,000 vehicles travel through the Opportunity Zone on 1st Street/Business 71 alone	Willmar Traffic Volume Map, 2016, Minnesota Department of Transportation.



- |    |   |   |
|----|---|---|
| 13 | Public and private investment in Willmar's Central Business District exceeded \$21 million over the last six years  | Sarah Swedburg, City Planner, City of Willmar, Willmar Downtown Main Street Economic Development Report (2018). |
| 15 | Kandiyohi County leaders understand the benefits of social and economic diversity and maintain a goal of equitable and inclusive growth for all segments of the community   | City of Willmar Council and Human Rights Commission   |
| 16 | City officials pursuing additional layers of incentives to be added to the OZ capital gains tax incentives  | Dave Ramstad, Planning & Development Services, City of Willmar.   |
| 16 | Development-friendly city issuing over \$50 million construction permits annually   | Dave Ramstad, Planning & Development Services, City of Willmar.   |
| 17 | The overall index cost of living is almost 32% lower in Wilmar than in the Minneapolis, Minnesota metropolitan area. Minneapolis area housing costs are 68% higher and transportation costs more than 82% higher than in Willmar. | Sperling's Best Places, 2019 Cost of Living Calculator  |



# BIOGRAPHIES

## Aaron Backman

Executive Director

Aaron Backman, Executive Director, has been active in economic development management at the local level for 26 years. Since February of 2016 he has been the Executive Director of the Kandiyohi County & City of Willmar Economic Development Commission (EDC) in West Central Minnesota. In that capacity Aaron has been instrumental in getting approvals for a variety of projects in the Willmar Lakes Area, including:



- \$525,000 in TIF financing for 15th Street Flats, a new \$9.3 million multi-family affordable housing project in Willmar offering 47 units utilizing a 9.0% tax credit program from Minnesota Housing;
- \$983,000 in tax abatement financing for Little Crow Resort, a new \$7.8 million complex that includes a 51-room GrandStay Hotel, 300-seat event center, 75-seat restaurant and clubhouse;
- \$1,527,000 in TIF financing for Bethesda North Pointe, a new \$17.5 million senior lifestyle housing development under construction in New London encompassing 75 units of independent living, assisted living, and memory care.

As the Executive Director of the Windom Economic Development Authority (EDA), Aaron was responsible for promoting, facilitating, and coordinating economic development activities for the City of Windom in Southwest Minnesota. He facilitated the development and expansion of the North Windom Industrial Park, a new 80-acre subdivision. He raised over \$1.4 million in state infrastructure grants for the project.

## Connie Schmoll

Business Development Manager

As the Business Development Manager for the Kandiyohi County and City of Willmar Economic Development Commission, Connie Schmoll identifies development needs and opportunities in Kandiyohi County emphasizing advancing agribusiness, bio-business, value-added agriculture and renewable resource development as economic drivers in the future success of Kandiyohi County.

In five years, she has facilitated several committees, including the Business Retention and Expansion/Recruitment Committee, Agriculture and Renewable Energy Development Committee, and the Broadband and Advanced Technology Committee. She has conducted studies of local business needs and agriculture production, agri-business and agriculture/bioscience industries retention issues and expansion plans.

In 2017, Connie was instrumental in establishing the West Central Angel Fund that has 28 local members and makes investments in early to mid-stage private companies that demonstrate the potential for sustainable, profitable, growth-capable operations while providing a suitable return for investors.

Connie has over 20 years of experience in fund development and grant writing. She wrote a successful proposal for Transportation Economic Development (TED) Grant funds to enhance a rural road for a large dairy operation. She has recently prepared and submitted a \$1.3 million grant proposal to the State of Minnesota for Innovative Business Development Public Infrastructure funds to assist the City of Willmar and a local business in expansion efforts, including an extension of city utilities.

Connie gained her fundraising and grant writing skills in a prior position as Executive Director of a non-profit organization. She led the organization in a \$1.5 million capital campaign and building project that served as a shelter for women and children.

Connie is a graduate of St. Catherine's University in St. Paul, Minnesota.



# WHAT ARE OPPORTUNITY ZONES AND HOW DO THEY WORK?

In 2017, opportunity zones were added to the tax code by the Tax Cuts and Jobs Act. This federal legislation recognized distressed neighborhoods with high-poverty as places needing investment. Willmar, MN received an opportunity zone designation for Census Tract: 27067780800 located in the City of Willmar.

Willmar's Opportunity Zone is an economic development tool designed to attract investment and job creation.

## WHAT IS AN OPPORTUNITY ZONE?

An opportunity zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as opportunity zones if they have been nominated for that designation by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service.





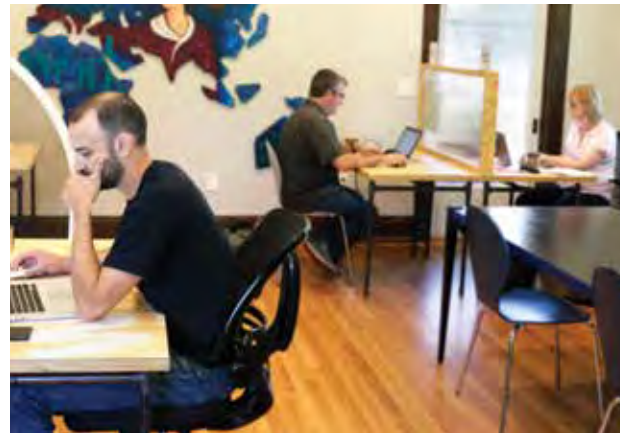
## HOW DOES THE WILLMAR OPPORTUNITY ZONE WORK?

Opportunity Zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.

- A poverty rate of at least 20%; or
- A median family income of:

No more than 80% of the statewide median family income for census tracts within non-metropolitan areas.

No more than 80% of the greater statewide median family income or the overall metropolitan median family income for census tracts within metropolitan areas.



Up to 25% of the census tracts of each jurisdiction that met these criteria could be nominated. An additional 5% of each jurisdiction could qualify if they met a different set of income and geographic qualifications:

- A census tract that's contiguous with a low-income Opportunity Zone; and
- A median family income of no more 125% of the median family income of the adjacent Qualified Opportunity Zone.

### **DO I NEED TO LIVE IN WILLMAR?**

No. You can get the tax benefits, even if you don't live, work or have a business in an opportunity zone. All you need to do is invest a recognized gain in a Qualified Opportunity Fund and elect to defer the tax on that gain.

### **WHAT IS A QUALIFIED OPPORTUNITY ZONE FUND (QOF)?**

A Qualified Opportunity Fund is an investment vehicle that files either a partnership or corporate federal income tax return and is organized for the purpose of investing in Qualified Opportunity Zone property. It is the intent of the EDC to pursue the creation of a local/regional QOZ Fund that would have local and outside investors.



## HOW CAN WILLMAR TAKE ADVANTAGE OF THE OPPORTUNITY ZONE?

Opportunity Zones and Opportunity Funds were created to stimulate private investment in exchange for capital gain tax incentives. This program is intended to stimulate the investment of the estimated \$6.1 trillion of unrealized private gains held by U.S. taxpayers.

This program is less restrictive than other tax credit programs, such as New Markets Tax Credits (NMTC) and Low-Income Housing Tax Credit (LIHTC) Program. Opportunity Zones don't operate through a tax credit program. Instead, Opportunity Zone designation and investment are governed through two Internal Revenue Code sections. This removes any limitation on the number of Opportunity Funds that can exist, making them more the product of an entirely new IRS rule that changes the tax treatment of capital gains than the subject of a more traditionally structured tax credit program.

There is no cap on the amount of capital that can be invested into qualified Opportunity Zones, and hence no arbitrary limit on the extent to which Opportunity Zones and Opportunity Funds may help reshape downtrodden communities.

Most importantly, the Opportunity Zone program allows local investors, at any level, to participate in investment in Willmar and to participate in the economic growth of the community.

For more information contact Aaron Backman, Executive Director [aaron@kandiyohi.com](mailto:aaron@kandiyohi.com) or Connie Schmoll, Business Development Manager [connie@kandiyohi.com](mailto:connie@kandiyohi.com). Or call, 320-255-7370 toll-free 866-665-4556.







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