

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
AGRICULTURE AND RENEWABLE ENERGY DEVELOPMENT (AG) COMMITTEE**

MINUTES

July 20, 2017

Christensen PLLP, Willmar

Present: Rollie Boll, Ian Graue, Dustin Kotrba, Larry Konsterlie, Kim Larson, Dan Lippert, Bruce Reuss and Dan Tepfer

Excused: Arvind Auluck-Wilson, Jon Folkedahl, Kevin Halvorson and Keith Poier

Absent: John Duevel

Guest: Carolyn Lange, West Central Tribune

Staff: Connie Schmoll, Business Development Specialist

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc.

Chairperson Dan Tepfer called the meeting to order at 7:34 a.m.

AGENDA—The agenda was approved as emailed.

REPORTS

West Central Angel Fund I. Connie Schmoll reported the group is moving forward and requested photographs of the City of Willmar to use in marketing. The group is not looking at new start-up businesses but will focus mostly focus on early-stage businesses that have already secured some of their financing.

[Larry Konsterlie joined the meeting]

MINUTES—Schmoll noted there are changes to the June 15, 2017 minutes as follows. Under Reports: *Ag BRE Summary document*. Schmoll prepared and shared a four-page summary of the Ag BRE Report. The committee reviewed the report. Schmoll will bring this report to the Ag Marketing Subcommittee to assess if further reductions are needed. Under *Agriculture/renewable energy community events/projects*. Three grain elevator managers from the region have expressed interest in hosting a testing unit at their elevators.

IT WAS MOVED BY Dan Lippert, SECONDED BY Rollie Boll to approve the June 15, 2017 minutes with the changes noted. MOTION CARRIED.

IT WAS MOVED BY Rollie Boll, SECONDED BY Dustin Kotrba to approve the April 20, 2017 minutes. MOTION CARRIED.

Ag Marketing Subcommittee. Kotrba shared highlights of the recent Ag Marketing Subcommittee meeting (see attached) which focused on the agricultural initiatives identified in the Ag BRE Survey. The subcommittee concurred to begin communicating more agriculture information to the non-ag public, i.e., agriculture articles and expand on the points shared by Natasha Mortenson during the presentation on June 19th. Schmoll mentioned that the *West Central Tribune* is looking for additional agricultural-related articles for the upcoming edition of the *Impact* magazine and encouraged Ag Committee members to send ideas and/or articles to Schmoll. Another suggestion was to conduct a large agricultural event to discuss agriculture and invite the public. Discussion also held regarding the possibility of partnering with Ridgewater College. Schmoll suggested sharing agriculture information via Constant Contact. Dan Lippert shared Ridgewater College will hold a duty day (in-service) for staff on August 17 and following the day's agenda (3:00-5:00 p.m.), the Lippert's have invited staff and students to visit their farm for a "Soil Social" to show appreciation to agriculture producers and an opportunity to learn about farming in Kandiyohi County. Kim Lippert, Ag Instructor at Ridgewater College gave an update on the upcoming event via teleconference. Ms. Lippert stated she received a call from Krista Willis of Women in Agriculture, who is interested in helping plan the 'influence' event and identify the target audience. Kandiyohi County agriculture producers and others will be invited to the event. Attendees will be encouraged to have one-on-one conversations with agriculture producers, i.e., what farmers do to produce a crop, etc. Also included in the event will be refreshments, scavenger hunt, drone demonstration and door prizes. Krista Willis is contacting agencies for support/prizes. Boll suggested inviting Cub Foods to the event and convey what the public is demanding in meats, i.e., antibiotic-free chicken, etc. Chair Tepfer stated the Ag Committee would like to expand as an advocate and attend the Lippert event. Schmoll, Larry Konsterlie, Kotrba, Kim Larson and Ian Graue are willing to attend the August 17th event. The Ag Marketing Subcommittee will discuss at their next meeting.

The Ag Committee brainstormed ideas for a possible agricultural event in 2018: 1) panel of various ag-related businesses, including Jennie-O Turkey Store (speaking on what consumers want) and Culver's (recognize Culver's as strong supporter of conventional agriculture); 2) non-conventional vs. conventional agriculture. Schmoll conveyed Whole Foods has speakers who speak on this issue; 3) Chair Tepfer suggested having a dialogue rather than a monologue. Schmoll suggested partnering with the West Central Ag Sales Association for the 2018 ag event. She will invite representatives to the next Ag Committee meeting on August 17th.

Ag BRE Projects. Schmoll discussed the Summary Document and suggested using the Summary Document as is and moving on with the responses.

Property farm tax issue (Ag BRE Survey). Kotrba gave an update and highlighted the Minnesota Omnibus Tax Bill enacted in May 2017 regarding the summary of school building bond agriculture credit (see attached). The bill created a new school building bond agriculture credit equal to 40% of the school debt levy on all agriculture property. It provides for a property tax credit on all property classified as agriculture, excluding the house, garage and surrounding one acre of land of an agricultural homestead, equal to 40% of the tax on the property attributable to school district bonded debt levies. Affected taxpayers will realize the tax on the 2018 Property Tax statements.

[Larry Konsterlie was excused from the meeting.]

CTC Broadband update. Schmoll shared the State of Minnesota has granted an extension for the project until July 25. Approximately 40 sign-ups and 140 with their \$25 commitment fees are needed for the project to move forward. Schmoll noted there have been communication issues that have been confusing to the public.

Other. Larson spoke with Art Benson regarding the EDC budget and inquired if the Ag Committee budget had been addressed. Schmoll conveyed the Ag Marketing Subcommittee discussed the budget and asked the EDCOB for additional dollars for marketing and speakers. Schmoll noted the Ag Committee budget is less than last year as the Ag BRE Survey expenses were removed. Graue inquired if budget dollars are needed for consultants, i.e., speakers, etc. Schmoll stated dollars are included in the budget for consultants or speakers. The budget also requires that \$1,000 is raised for events from fees or sponsorships.

Ag/Renewable Energy Community Events/Projects. Graue commented he was pleased with the use of biodegradable coffee cups and also announced he has negotiated with Xcel Energy for the residents of Raymond to dispose of fluorescent bulbs (10-per year) at the Kandiyohi County Recycling Center.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 9:10 a.m.

NEXT MEETING—The next regular Ag Committee meeting is **7:30 a.m., Thursday, August 17, 2017**, at Christianson PLLP, 302 Fifth Street SW, Willmar.

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
AGRICULTURE AND RENEWABLE ENERGY DEVELOPMENT (AG) COMMITTEE
MARKETING SUBCOMMITTEE
MINUTES
July 12, 2017
EDC Office

Present: Dustin Kotrba, Dan Tepfer, and Connie Schmoll

MINUTES

1. Budget discussion

Committee members reviewed a proposed budget for the Agriculture/Renewable Energy Development Committee for 2018. A budget line item for marketing has been proposed at \$1,500 for the year and another \$1,000 placed in the draft budget for professional services. In response to the Ag Producers Survey, a speaker or presentation of some kind may be scheduled during 2018 to speak on one or more of the topics of concern for the Ag Producers. Professional fees may be needed to secure a speaker and marketing funds necessary to market such an event. In addition, marketing funds may be used for additional trade show items or marketing efforts. The budget also includes an expectation that \$1000 will be raised in fees or sponsorships for events that are planned.

The current budget was also discussed with acknowledgement that budget amounts for marketing and for the Ag Producers Survey have been completely spent down so an event yet this year would not have funds to cover the costs.

2. Event Discussion

Committee members discussed possible events to plan in response to the survey results. Natasha Mortenson's presentation on speaking up about agriculture was well delivered. We could invite her back and work to bring in a larger audience of focusing on the non-ag public.

Other suggestion for an event included:

- Another venue with a GMO focus
- Target an audience of consumers
- Make it an evening presentation to get the working public
- Invite corporate sponsors such as CUB foods
- Facilitate a panel discussion, possible a "truth session" with the facts revealed
- Focus on labeling/regulations - invite Congressman Peterson
- Conduct a workshop on marketing
- Partner with Ridgewater College Ag Program
- Conduct a survey on agriculture understanding

It was also mentioned that committee members should be reminded to provide content for social media posts and for the Tribune's Impact Publication. The EDC has a Constant Contact list to share any articles to a broader audience than just the Tribune. The EDC staff already does post and pass on ag-related materials that are found on the Tribune.

MN Omnibus Tax Bill

Enacted May 2017

Summary of School Building Bond Agricultural Credit

Summary: The bill created a new school building bond agricultural credit equal to 40% of the school debt levy on all agricultural property. It provides for a property tax credit on all property classified as agricultural, excluding the house, garage, and surrounding one acre of land of an agricultural homestead, equal to 40% of the tax on the property attributable to school district bonded debt levies.

Eligibility: All class 2a, 2b, and 2c property under section 273.13, subdivision 23, other than property consisting of the house, garage, and immediately surrounding one acre of land of an agricultural homestead, is eligible to receive the credit. (Class 2a-Agricultural Land, Class 2b-Rural Vacant Land, Class 2c-Managed Forest Land) An agricultural homestead consists of class 2a agricultural land that is homesteaded, along with any class 2b rural vacant land that is contiguous to the class 2a land under the same ownership.

Credit amount: For each qualifying property, the school building bond agricultural credit is equal to 40 percent of the property's eligible net tax capacity multiplied by the school debt tax rate determined under section 275.08, subdivision 1b. The credit will be reflected on the tax statement.

Credit reimbursements: The county auditor shall determine the tax reductions allowed under this section within the county for each taxes payable year and shall certify that amount to the commissioner of revenue as part of the abstracts of tax lists. Any prior year adjustments shall also be certified on the abstracts of tax lists. The credit must be used to reduce the school district net tax capacity-based property tax.

Payment: The commissioner of revenue shall certify the total of the tax reductions granted under this section for each taxes payable year within each school district to the commissioner of education, who shall pay the reimbursement amounts to each school district.

Appropriation: An amount sufficient to make the payments required by this section is annually appropriated from the general fund to the commissioner of education.

Effective: Beginning with taxes payable in 2018.