

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

FINANCE COMMITTEE MEETING

MINUTES

July 27, 2021

EDC Office, Willmar and Via Zoom Video Conference

Present: Matt Behm, Nick Dalton (via Zoom), Allen Huselid (via Zoom) and Justin Schnichels

Excused: Kerry Johnson and Travis Jones

Guest: Michelle Marotzke, Mid-Minnesota Development Commission

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

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

Chairperson Matt Behm called the meeting to order at approximately 12:05 p.m. followed by self introductions.

AGENDA—There were no changes to the Agenda.

MINUTES—

IT WAS MOVED BY Justin Schnichels, SECONDED BY Allen Huselid, to approve the Minutes of the June 22, 2021 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS

Spurs Loan Amortization. Aaron Backman provided a history of the loan to Spurs Incorporated noting the initial loan payments did not begin because the building owner did not have the building ready for tenant occupation. EDC staff is proposing the loan be extended to January 15, 2024. The committee reviewed Spurs' financial reports as of December 31, 2019, December 31, 2020 and May 31, 2021. Aydee Lopez, owner of Spurs, recently bought out her silent partner resulting in two notes being paid off. Two other notes remain unpaid.

IT WAS MOVED BY Justin Schnichels, SECONDED BY Nick Dalton, to approve extending the maturity date on the Microenterprise Loan to Spurs Incorporated to January 15, 2024. MOTION CARRIED.

Amin Grocery Security Position. Sarah Swedburg reported this committee approved a \$45,000 10-year loan to Amin Grocery, LLC, subject to a second mortgage in the real estate and building. An update on the building tenants was given; three additional office spaces are being proposed.

Chair Behm noted the EDC's loan was contingent upon Amin Grocery receiving funding from the Co-Op Credit Union and Southwest Initiative Foundation (SWIF). Swedburg informed the committee that SWIF has requested a second position on the land and building and has asked the EDC to take a first position on the inventory and equipment. Swedburg recently went through the store's inventory with Bashir Yusuf. Michelle Marotzke mentioned Amin Grocery has the potential to process goat meat to increase revenues or to purchase goat meat from a local processor that is investigating a processing facility. Additional licenses would be needed.

IT WAS MOVED BY Justin Schnichels, SECONDED BY Nick Dalton and Allen Huselid, to approve revising the Kandiyohi County and City of Willmar Economic Development Commission's security position on the loan to Amin Grocery, LLC to a shared second position with Southwest Initiative Foundation (SWIF) and a shared first position with SWIF on a UCC Financing Statement for inventory and equipment. MOTION CARRIED.

NEW BUSINESS

Add Michelle Marotzke to the Committee. Chair Behm introduced Michelle Marotzke, who provided information on her work history and education as it relates to financing.

IT WAS MOVED BY Nick Dalton, SECONDED BY Justin Schnichels, to approve adding Michelle Marotzke to the Kandiyohi County and City of Willmar Economic Development Commission's Finance Committee. MOTION CARRIED.

Review Loan Application. Backman informed the committee that two loan applications are in process, one for First Step Family Daycare and one for a dog groomer in the New London area, but were not ready for today's meeting. They will be presented at the August meeting.

Other. Backman gave an update on the loans through the EDC's COVID-19 Business Assistance Loan Program noting four have been paid in full. Also paid off was the Revolving Loan Fund loan to Historic 313. The EDC is still awaiting more information as to the American Rescue Plan (ARP) Act funds. At present, Kandiyohi County is looking at using a majority of its ARP funds for infrastructure, including broadband. Broadband projects are being worked on by the EDC's Broadband and Advanced Technology Committee for the townships of Lake Andrew, Dovre, Mamre and St. Johns and the City of Prinsburg.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 12:43 p.m.

NEXT MEETING—The next committee meeting is **12:00 p.m., Tuesday, August 10, 2021** at the EDC office and via Zoom video conference.