

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

**FINANCE COMMITTEE**

**MEETING MINUTES**

**August 18, 2020**

**Via Teleconference**

Present: Matt Behm, Nick Dalton, Kerry Johnson, Les Nelson, Jeff Welker and Randy Zinda

Excused: Aaron Backman, Travis Jones and Justin Schnichels

Guest: Jean Spaulding, CARES Coordinator for Kandiyohi County

Staff: Connie Schmoll, Business Development Manager

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

Chairperson Matt Behm called the meeting to order at approximately 1:02 p.m. Connie Schmoll reported she attended the Kandiyohi County Board of Commissioners meeting today where Jean Spaulding presented the list of grants being recommended for approval. Jean Spaulding reported the County Board ratified approval of the grants presented today. Schmoll noted the total presented and approved today was \$364,500 for businesses and \$339,500 for nonprofit organizations (see attached). Schmoll reported last night, the City of Willmar approved transferring to the EDC \$1 million of the \$1.5 million it received for the CPR Grant Program. To date, the EDC has received commitments of \$176,367 from other cities and townships for a total that will be available to disburse of \$2,476,367.

**NEW BUSINESS**

**COVID-19 Business Assistance Loan (COBAL) Program.** Schmoll presented one COBAL request:

- Mass Hysteria Gym. Schmoll noted Mass Hysteria Gym applied for a CPR Grant, however, the business has only been in existence eight months and did not qualify. The business is owned by Brad and Laura ; received tax return and financial reports and credit report. Would use funds for rent and utilities. Asking six month referral. Staff is recommending a \$

It was moved by Kerry, seconded by Les, to approve a \$5,000 loan to Mass Hysteria Gym. MOTION CARRIED.

**CARES Pandemic Relief (CPR) Grant Program.** The committee reviewed a list of 20 small business CPR grant applicants with EDC staff's recommendation as to a grant award (copy attached to original only due to Data Privacy Act). Schmoll noted the average tenure of the businesses is nearly 12 years, average gross loss is 53% and average full-time equivalent employees is 6.35. Johnson noted that Jerry's Flooring, Inc. is going out of business and

questioned why a grant would be approved as it is her understanding that it is to assist businesses to continue in business?

[Nick Dalton joined the meeting.]

Jean Spaulding recommended that business be pulled from the list and that the question be brought to the Small Business and Nonprofit Planning Team.

Johnson questioned Coffee & More. The businesses are notified of the grant approval following ratification by the Kandiyohi County Board of Commissioners.

IT WAS MOVED BY Randy Zinda, SECONDED BY Jeff Welker, to approve the recommendation of the EDC staff to award CARES Pandemic Relief Grants to 19 businesses on the attached list (excluding Jerry's Flooring, Inc.) for a total grant award of \$200,5000. MOTION CARRIED.

The committee reviewed a list of four nonprofit organizations that have applied for a CPR grant application (see attached).

IT WAS MOVED BY Les Nelson, SECONDED BY Kerry Johnson, to approve the recommendation of the EDC staff to award CARES Pandemic Relief Grants to four nonprofit organizations on the attached list, for a total grant award of \$89,000. MOTION CARRIED.

Spaulding and Kleindl did the report to the board on all of the teams, including the EDC CPR Grant Program. Today was the first presentation. Small business/nonprofit grant program have to be careful on what is public and privacy data information. Spaulding, Backman and Schmoll discussed what could be presented to the board; once a business receives benefit, then it becomes public information, but the amount of public information is the name of the business and the amount of the award, if asked. Only those businesses that are recommended for approval, are given to the county board. The Planning Team will discuss tomorrow if they will receive information on the grant applicants and if they are approved or not. Spaulding stated including the small business/nonprofits that were recommended prior to today \$365,000 and \$395,0000 the county approved in addition the allocation of \$934,978 in CARES allocations for all teams today.

Checks will start to be issued this week and distributed to the businesses. The businesses were told Monday. Schmoll noted most nonprofit organizations are familiar with grants and have all of their documentation right away; businesses require follow up.

**NEXT MEETING**—The next special committee meeting is **11:00 a.m., Tuesday, August 25, 2020** via teleconference.

**ADJOURNMENT**—There being no other business, the meeting was adjourned at approximately 1:21 p.m.