

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
BUSINESS RETENTION AND EXPANSION/RECRUITMENT (BRE/R) COMMITTEE**

**MINUTES**

**September 21, 2016**

**EDC Board Room**

Present: Jim Ellingson, Sam Bowen, Les Nelson and Ranae Rahn

Excused: Bob Carlson, Roger Imdieke and Jean Marthaler

Staff: Aaron Backman, EDC Executive Director

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc. (LAA)

Aaron Backman served as Chair and called the meeting to order at 11:10 a.m.

**AGENDA**—The agenda was approved as emailed.

**MINUTES**— As a quorum was not present, the minutes of April 20, and August 17, 2016 were received for information only.

**NEW BUSINESS**

**Selection of BRE/R Chairperson.** Backman indicated that after several years as BRE/R Committee Chair, Les Nelson has decided to step down. Backman inquired if Sam Bowen would be interested in serving as chair. Bowen indicated he may consider the position; however, due to his schedule conflicts inquired if the meeting date and time could be changed. Discussion held and BRE/R committee members present concurred to change the BRE/R Committee meeting to 9 a.m. the third Friday of each month. Backman will contact other committee members of the suggested meeting date and time change. Bowen will make his decision and inform Backman and committee members. Discussion held when the new Chairperson would begin the duties. If Chair Nelson is willing to step down now or to continue his Chair position until the end of December 2016.

**Ag Survey.** Backman discussed the upcoming 2017 Ag Producers Survey expected to begin in February 2017. Timeline: January 2017: assemble survey packets and train volunteers; February 2017: conduct interviews; March 2017: input data and April 2017: present data publicly and decide on projects. Interview volunteers will participate in two-person teams to visit two to four producers and administer the survey. Backman passed around a volunteer survey signup form if BRE/R Committee members are interested in serving on a volunteer team.

## REPORTS

**BRE visitation program.** Backman provided an update of the 2016 Manufacturer's Day Event held for Willmar teachers on August 30, 2016; 90 local teachers participated and had many positive comments. On October 12, the Willmar High School 10<sup>th</sup> grade students will visit the same eight manufacturing businesses. An excellent video featuring local manufacturers was produced by a Ridgewater College student and a Willmar High School student and will be viewed by faculty, students and manufacturers. Sam Bowen suggested placing the video on Facebook and YouTube. Bowen will discuss with Connie Schmoll and Amber Romo.

**Business visits/tours.** Backman reported on the 2016 Job Fair was held on September 13, 2016. Sponsors of the event were: Ridgewater College, Willmar Lakes Area Chamber of Commerce, radio stations KKJS, the River and K-95; Minnesota Workforce Center and EDC. Approximately 40 booths were staffed by HR representatives compared to 60 in 2016. Bowen commented another marketing idea for the 2017 Job Fair would be to advertise the event to individuals interested in new job opportunities. Backman also suggested marketing the 2017 Job Fair earlier in the year to increase attendance.

**Business visits/tours.** Backman shared information on RockStep Capital, new owners of the Kandi Mall, which requested a tax abatement. The mall will be revitalized and remodeled and it is expected a number of new stores will be added. RockStep Capital has three major funding sources: private \$3.5 million, owner equity \$1.5 million and tax abatement \$1.5 million over 10 years. Bremer Bank will finance the project and portions of the redevelopment. Ranae Rahn inquired who is responsible for attracting new businesses to the mall; Backman responded RockStep is responsible. Backman also mentioned RockStep Capital will build a new multi-retail center between Pizza Hut and Tires Plus for three tenants and there will be possibly three to five tenants in the former Kmart space. Exterior entrances will be added in addition to other exterior, landscape and parking lot improvements. RockStep Capital is also looking for a new tenant for the former Pizza Hut building. After completion of the project, they anticipate an additional 60 jobs in total. Backman stated three public hearings have been held. Backman reported the Willmar Community Development Committee, Willmar City Council and Kandiyohi County Board of Commissioners voted unanimously to approve the Kandi Mall tax abatement as requested. The Willmar School Board also passed the abatement request.

Backman provided an update of the Glacial Ridge Hospitality (Little Crow Country Club) project. They have requested a tax abatement. Backman shared the project, which is anticipated to cost \$7.8 million with \$5.6 million being related to construction. The project will have three funding sources. Construction will include a 51-room Grand Stay Hotel and event center with seating for 300 and a new club house built on the current club house site. United Prairie Bank will provide some funding plus \$1.3 million developer equity and approximately \$1 million in tax abatement over 10 years. Initial discussions on the abatement request have been held with Kandiyohi County and the New London-Spicer School District. Public hearings are scheduled for October 4 and 10, 2016, respectively. The Kandiyohi County Board of Commissioners unanimously approved setting an October 4, 2016 public hearing on the tax abatement request.

**ERC Holdings.** Backman stated he was approached in August by a site developer from Indiana regarding a Florida-based interested in expanding to the upper Midwest, particularly in Willmar. Backman presented information on a Job Creation Fund application by ERC Holdings, LLC to lease the former Kandiyohi Power Cooperative building. ERC Holdings, LLC intends to spend over \$2 million to renovate the property. The project plans hire 238 new employees within three years. The EDC's Joint Operations Board passed a resolution in support of the Job Creation Fund Application. Bowen commented with the new businesses coming into the area, will there be enough workforce. Backman sated there may be training opportunities to partner with Ridgewater College.

**Draft of 2016 BRE/R goals.** Backman reviewed the suggested 2016 BRE/R goals presented at the BRE/R Committee meeting on August 17, 2016 and the expanded goals prepared by Schmoll, Rahn and Jim Ellingson were reviewed. Bowen suggested adding technology to the list. Backman will prepare another draft adding the suggested information, times, etc. and schedule a meeting with the subcommittee.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at approximately 12:25 p.m.

**NEXT MEETING**—The next regular committee meeting is **11:00 a.m., October 19, 2016**, in the EDC Board Room.

## **EDC Business Retention and Expansion/Recruitment 2016-2017 Goals**

### **I. Transportation Infrastructure**

#### **A. Form a Highway 23 Coalition**

- City members
- Chamber members
- Businesses
- County representatives
- Existing Highway 23 group
  1. Make suggestions for funding
  2. Invite Legislators
  3. Charge dues

#### **B. Plan a Transportation Summit**

- Willmar Wye
- Rail safety
- FedEx
- Air Freight

#### Sponsors:

- EDC
- County
- City
- Chamber

#### **C. Day at the Capital**

- a. Willmar's own Day at the Capital
- b. Participate with League of MN Cities (MAPCED or, NARC) on their Day at the Capital

### **II. Target key industries**

#### **A. Research and invitation to visit:**

- Food Processing
- Bio Science – Ag Science
- Value-added agriculture

#### **B. Host site selector event or attend conference**