

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

FINANCE COMMITTEE

MINUTES

May 10, 2022

EDC Office, Willmar, and Via Zoom Video Conference

Present: Matt Behm (via Zoom), Nick Dalton (via Zoom), Kerry Johnson, Michelle Marotzke and Kelly TerWisscha

Excused: Allen Huselid and Travis Jones

Absent: Justin Schnichels

Staff: Aaron Backman, Executive Director; Sarah Swedburg, Business Development Manager (via Zoom); and Kelsey Olson, Marketing & Communications Specialist

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

Chairperson Matt Behm called the meeting to order at approximately 12:03 p.m.

AGENDA—There were no changes to the Agenda.

MINUTES—

IT WAS MOVED BY Michelle Marotzke, SECONDED BY Kerry Johnson, to approve the Minutes of the February 8 and April 12, 2022 meetings as emailed. MOTION CARRIED.

UNFINISHED BUSINESS—

Loan Deferral Request. Sarah Swedburg noted last month the committee reviewed the status of Groom Zone and decided to wait on any deferral until after United Prairie Bank had made a decision. United Prairie Bank subsequently approved a full deferment of its loan for April, May and June and the documents have been signed. Mid-Minnesota Development Commission (MMDC) had a six-month deferral at the beginning of its loan and will not consider another deferral. Groom Zone is requesting a three-month deferral of its loan with the EDC. The owner, Heather Larson, is working with Justin Paffrath to lease half of the building as she scales back and rebuilds her business. The committee reviewed the Profit & Loss Statements for 2022. Aaron Backman provided comparisons in income and expenses from 2021 to date. Marotzke reported she and Swedburg did an onsite visit and noted Larson's parents are helping her with the business at present as she is the only employee.

IT WAS MOVED BY Kerry Johnson, SECONDED BY Kelly TerWisscha, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's Joint

Operations Board that it approve a three-month deferral (May, June and July 2022) of the principal payments by Groom Zone for its loan under the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund program, requiring the interest to continue to be paid each month. MOTION CARRIED.

[Behm and Swedburg were excused from the meeting.]

Kandi Adult Care COBAL Update. Backman reported on April 11, 2022 a Conciliation Court hearing was held on the EDC's claim against Kandi Adult Care and Kamaal Geele, individually. On April 21, the court issued a judgment in favor of the EDC in the amount of \$5,080. Backman has obtained an agreement by Geele to make monthly payments on the judgment until paid. A new ACH form was sent to Geele, who indicated he will sign and return it today to begin payments on June 15, 2022.

IT WAS MOVED BY Kelly TerWisscha, SECONDED BY Nick Dalton, to approve the following amortization schedule to be paid by Kamaal Geele in payment of the judgment against himself and Kandi Adult Care: \$50 for three months beginning June 15, 2022, \$100 for three months and \$257.26 each month thereafter through May 15, 2024. MOTION CARRIED.

NEW BUSINESS—Kelsey Olson introduced herself to the committee and informed them of the work she has been doing to market the EDC, including restarting the EDC's quarterly newsletter, which recently highlighted Cheers of Raymond. Backman informed the committee that Swedburg will be attending a site selector conference in June in Columbus, Ohio. Olson indicated she and Swedburg will be attending the Greater Mankato Real Estate Summit the latter part of May. Marotzke announced the MMDC was selected as 1 of 40 to participate in the Equitable Lending Leaders, an online cohort program that will bring together leaders from revolving loan funds across the country to learn and adopt best practices in equitable small-business lending.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 12:41 p.m.

NEXT MEETING—The next committee meeting is **12:00 p.m., Tuesday, June 14, 2022** at the EDC office.