

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
June 9, 2022
Community Room, Heritage Bank, Willmar and via Zoom Video Conference

Present: Art Benson, Donna Boonstra, Les Heitke and Mary Warszynski

Excused: Jesse Gislason and Kelly TerWisscha

Ex Officio: Justice Walker, Director of Planning & Development, City of Willmar

Guest: Abdulkadir Gaal

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

Media: Jennifer Kotila, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

President Art Benson called the meeting to order at approximately 11:15 a.m. and declared a quorum was present.

AGENDA—Added under New Business was a housing study.

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to approve the revised Agenda.

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to approve the following Consent Agenda.

Approve: 1. Minutes of May 12, 2022
 2. Financial reports as of May 31, 2022
 3. Addition of Mary Warszynski to the Business Retention and
 Expansion/Recruitment Committee

Accept: Committee/Subcommittee Minutes
 1. Broadband and Advanced Technology 5/2/2022
 2. Finance 5/10/2022
 3. Marketing and Public Relations 5/16/2022
 4. Business Retention and Expansion 5/13/2022

MOTION CARRIED.

UNFINISHED BUSINESS

2022-2023 Strategic Priorities, Goals and Objectives. The board reviewed the 2022-2023 Strategic Priorities, Goals and Objectives (see attached) and the five major goals with their strategic objectives.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Mary Warszynski, to adopt the 2022-2023 Strategic Priorities, Goals and Objectives as presented and recommend the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board also adopt it. MOTION CARRIED.

Proposed Bylaw Amendment. Backman presented proposed amendments to the Bylaws and Policies and Procedures Manual related to remote communications of meetings (see attached).

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board that it adopt the amendment to Section 3 of the Bylaws as presented. MOTION CARRIED.

IT WAS MOVED BY Mary Warszynski, SECONDED BY Donna Boonstra, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board that it adopt the amendment to Section III of the Policies and Procedures Manual to include the added language as to remote communications of meetings as presented. MOTION CARRIED.

Replacement for Abdullahi Awale. Backman informed the board that Abdulcadir Gaal, owner of Somali Connections, was unanimously recommended by the Willmar City Council to complete the term of Abdullahi Awale on this board.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Mary Warszynski, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's Joint Powers Board that Abdulcadir Gaal be appointed to complete the term of Abdullahi Awale on the Joint Operations Board. MOTION CARRIED.

NEW BUSINESS—

2023 Proposed Budget. Backman presented the proposed budget for 2023 (see attached).

Under Revenues, the proposed budget includes a 3.96% increase to the county tax levy. Backman noted the 2022 budget needs to be amended to include receipt of a \$76,000 grant from the Minnesota Department of Employment and Economic Development for the Elevate program, \$40,000 of which will be used this year. The Main Street Grant reimbursement is a revitalization grant specifically for property owners to renovate their buildings that was awarded to Southwest Initiative Foundation (SWIF). SWIF had applied for \$3 million, but was awarded \$1.8 million, which is for three cities (Willmar, Worthington and Montevideo). It is unknown how much the city of

Willmar will receive—4% of the award is for staff time/administration, which is the \$5,000 in the budget. Grants to property owners are for 30% of a project. Meetings will be held with property owners.

Under Expenses, funds are included under “Central MN Tour of Manufacturing”—plans are to develop an event in October for manufacturing week. The Elevate budget includes an amount for two full-time instructors and includes amounts to cover two semesters in one year. Under the Business Retention and Expansion/Recruitment (BRE) Committee, plans are to hold a virtual job fair twice a year. The largest increase is to the Marketing and Public Relations Committee’s budget with having an in-house staff person. Kelsey Olson noted she will be purchasing car magnets to assist in identifying her when she is out representing the EDC. The question was asked if the EDC should purchase a drone. In response, the board was informed that David Hillenbrand, a Willmar City employee, has been willing to do drone video for the EDC. The budget includes an increase of \$23,800 in committee expenses. The proposed budget also includes a 3.9% increase for employee compensation. Backman noted he has not had his annual review yet and will be recommending a bonus for Swedburg this year. He will have a six-month review of Olson in the next 30 days. Backman noted insurance with Minnesota Counties Insurance Trust (MCIT) increased 50%. Backman will look into whether or not the EDC can be insured by the League of Minnesota Cities Insurance Trust. Total expenses are 5.5% higher, which is a slightly higher percentage than the proposed income.

IT WAS MOVED BY Les Heitke, SECONDED BY Mary Warszynski, to adopt the proposed 2023 budget as presented and to recommend its adoption by the Kandiyohi County and City of Willmar Economic Development Commission’s Joint Powers Board. MOTION CARRIED.

IT WAS MOVED BY Les Heitke, SECONDED BY Mary Warszynski, to amend the 2022 budget by adding DEED under Grants and include \$40,000 and to recommend the amendment to the Kandiyohi County and City of Willmar Economic Development Commission’s Joint Powers Board. MOTION CARRIED.

Housing Study. Backman informed the board that the last housing study done for Kandiyohi County was in the fall of 2015 and the housing portion of the census will not be updated until May 2023. He noted housing studies are generally out of date within a couple of years. The Kandiyohi County Housing and Redevelopment Authority (HRA) sent a request for proposal (RFP) to all businesses on the state’s list of approved vendors for housing studies, including Community Partners that did the previous study, and all of them responded they were too busy and declined submitting a proposal. Backman would like the EDC to get a proposal for a new market-rate study from Maxfield Research and Consulting, Sherman Associates and/or Viewpoint Consulting Group, the latter two are not on the Minnesota Housing Finance Agency’s list, but Backman has knowledge of them and all three are Minnesota businesses. At this time, the HRA may only consider state-approved vendors; however, the EDC could approach them to participate in the cost. Backman noted that in the last two and a half years, 344 units were approved for and are under construction, which is more than the previous eight years combined. Swedburg would like to use the results from a new study and model it something after what Mankato is doing with short- and long-term action plans. Justice Walker noted the focus of the Mayor’s Housing Task

Force is to build a housing stock of single-family homes in the city of Willmar. It would be beneficial to know how many undeveloped lots there are, why they are not being built on, are the lots for sale and, if not, why not. Backman will provide more information as he receives it.

REPORTS

Economic Development Activity. Swedburg reported she continues to work with Amin Grocery; a gentleman in Atwater for a food truck; and Danny Carranza on a location for a BBQ restaurant. She meets with about one person a week about starting a new business. She had a meeting with the Case New Holland plant manager for operations in Benson—the business lost its lease for a warehouse building in Benson and recently purchased the Buhler building in Willmar Industrial Park. The business will continue to consolidate its warehouse locations to Willmar as its leases in Benson expire. It is looking for employees. The Benson location is one of nine plants located in the U.S. The company is connected to Fiat, which makes its engines. It currently stores 400-500 engines in the U.S. so it does not run out its supply and, thus, the need for additional warehouse space. It is interested in broadband. The manager was appreciative of the EDC reaching out to the business. Case New Holland encourages its staff to perform volunteer opportunities. Backman continues to interact with Nexyst 360; Phase 3 of Unique Opportunities is coming along; the footings are being done on the third building of Preserve on 24th; and Block 25 Lofts is moving forward with footings and foundation walls.

Walker reported several more single-family homes have been permitted this year; final approvals were given for Case New Holland and Brunswick/Lund Boats; Steve Peppin has a project that will have a preliminary hearing; and an intern is being hired for his department. The downtown streetscape plan was approved by the State Historic Preservation Office and a quote will be requested soon. A report on the Willmar Auditorium has been received and estimates will be obtained to bring the building up to code. Willmar Main Street is looking for a new coordinator. Willmar is looking at parking minimums and housing conditions of rental homes, which will be addressed this fall and next spring. The new housing inspector is being proactive and identifying things. Prior to the housing inspector, matters were addressed on a complaint basis. Not only landlords, but sometimes tenants are causing problems. A large-scale overhaul was needed.

Elevate Community Business Academy. Swedburg will be sending formal invites to the graduation ceremony that will be held on June 28 from 6-8 p.m. at the Willmar Education and Arts Center. Food vendors for the ceremony will be Elevate graduates.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development. Swedburg reported next week the committee will have a mini planning session.

Broadband and Advanced Technology. Swedburg reported the state Border-to-Border grant was released with many stipulations. The committee will apply for the maximum of \$5 million out of a \$95 million fund. Before her contract terminated, Schmoll had started a draft application that

Swedburg will complete for the infrastructure in Arctander, Dovre, Mamre and St. Johns Townships. Federated is still onboard and is working through updating the costs for the project. Charter, Arvig and Vibrant continue to work on smaller-scale projects that have been approved by the County. The committee is working with Charter to build out the remainder of New London Township. The committee is looking for champions for Roseville Township and the New London-Spicer area for another Border-to-Border application. The township leaders need to hear from their residents that they are in favor of a broadband project. The Rural Digital Opportunity Fund award to LTD Broadband has been contested.

[Boonstra was excused from the meeting.]

Business Retention and Expansion/Recruitment. Backman reported the committee focused on the strategic goals from the boards' planning session and will start planning for the next virtual job fair.

Finance. Backman reported the committee has not met this month.

Marketing and Public Relations. Olson reported she is working on updating the Prospectus for Swedburg to bring to the site selector conference next week. Last week, she and Swedburg attended the EDAM Summer Conference in Nisswa and in May they participated in a Real Estate Development Conference in Mankato. Backman had asked Olson to tour downtown Mankato to see projects it has done. Olson noted investing in art and green space helped in the revitalization of downtown Mankato. Willmar will be able to do some of this with the Main Street grant. Olson will follow up with South Central Community College on specific training it does for local businesses and equipment it uses.

Leisure Travel. Backman reported the last meeting was at the Guri Endreson shelter at Robbins Island. President Benson reported the number of tourism inquiries has increased significantly and resorts are full. The committee is replacing a sign in Spicer that blew down in a recent storm.

WHAT'S UP? Board members provided information, including Lakeview Cemetery is doing an annual fundraiser at the cemetery on Memorial Day with a food wagon; the indoor display rooms at Mills are nearly empty as it does not have inventory; Eagle Creek Golf Club lost about 30 trees in a recent storm; there appears to be some confusion by hospital staff with the recent change to CentraCare and concern for the hospital's foundation; Rice Home Medical is reducing its products for sale.

[Walker was excused from the meeting.]

Employment Plus is training on new software; Brunswick Corporation expanded into Willmar in the former Fabric Warehouse.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 1:24 p.m.

NEXT MEETING—The next regular board meeting is 11:00 a.m., Thursday, July 14, 2022 at a place to be determined and via Zoom video conference.



Donna Boonstra, Secretary

APPROVED: 7/14/2022



Art Benson, President