

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

FINANCE COMMITTEE

MINUTES

June 14, 2022

EDC Office, Willmar, and Via Zoom Video Conference

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

Excused: Kerry Johnson, Travis Jones and Kelly TerWisscha

Guest: Erik Hatlestad, Board Chair, New London Food Cooperative

Staff: Aaron Backman, Executive Director

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

Chairperson Matt Behm called the meeting to order at approximately 12:10 p.m. followed by self introductions.

AGENDA—There were no changes to the Agenda.

NEW BUSINESS—

Loan Application of New London Food Cooperative. Aaron Backman presented the loan application of the New London Food Cooperative for a loan through the EDC's Revolving Loan Fund program. Backman noted the Co-op has approximately 145 paid members. Shared Capital Cooperative and Southwest Initiative Foundation (SWIF) are the lead lenders and would lend a total of \$160,000. The request for the EDC is for \$40,000 to be used for building renovations, fixtures, machinery and equipment. Erik Hatlestad provided background information on the creation of the Co-op, which started in 2017. In 2018 they received positive feedback from the community. The Co-op has been working with University of Minnesota Extension Regional Sustainable Development Partnerships. The membership fee is \$100 and a majority of the members are from the northern part of Kandiyohi County. The Co-op has been working with Dorsey & Whitney relative to member loans. Some members have indicated an interest in a member loan program; the Co-op is considering two levels of member loans. Hatlestad provided information on Shared Capital Cooperative, a national loan fund and federally-certified Community Development Financial Institution. Backman noted SWIF has done shared first position loans in the past and Shared Capital Cooperative is agreeable to this. The Co-op spoke with former members of the cooperative that was attempted in Willmar. The New London Food Cooperative intends to have several community partnerships and work with local producers. The Co-op will be open to the public, but members will receive discounts, patronages and input on the use of profits. Members are contributing time and effort into renovating the building. The Co-op has been in conversations with Statewide Health Improvement Program (SHIP) to get certified for WIC and

SNAP; SHIP will reimburse the Co-op for its coolers. The Co-op intends to have two full-time and one part-time employee with generous compensation packages for full-time staff. Members can volunteer to work. In addition to fresh produce, local meats and dairy products, there will be a bulk section. Members will not be paid back immediately.

[Hatlestad was excused from the meeting.]

A motion was made to approve the loan, but it died for lack of a second. Backman will inform Hatlestad that the loan was not approved.

Other. Backman reported two COBAL loans are paying off today and tomorrow and Kandi Adult Care will be making its first ACH payment tomorrow. RETHOS is in discussion with Spurs to purchase the Historic 313 Building. Michelle Marotzke reported Mid-Minnesota Development Commission received revolving loan funds through the American Rescue Plan Act so it will have an additional \$500,000 available to lend.

MINUTES—

IT WAS MOVED BY Michelle Marotzke, SECONDED BY Allen Huselid, to approve the Minutes of the May 10, 2022 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS—There was no unfinished business.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 1:06 p.m.

NEXT MEETING—The next committee meeting is **12:00 p.m., Tuesday, July 12, 2022** at the EDC office and via ZOOM video conference.