

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

JOINT OPERATIONS BOARD OF DIRECTORS (OB)

MINUTES

November 10, 2022

Community Room, Heritage Bank, Willmar, Minnesota and Via ZOOM Video Conference

- Present: Art Benson, Abdulcadir Gaal, Jesse Gislason, Les Heitke, Kelly TerWisscha and Mary Warszynski
- Excused: Donna Boonstra, Vicki Davis, Sarah Swedburg, Kelsey Olson and Justice Walker
- Guest: Beth Fischer, Executive Director, Willmar Lakes Area Convention & Visitors Bureau
- Staff: Aaron Backman, Executive Director
- Media: Jennifer Kotila, West Central Tribune
- Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

President Art Benson called the meeting to order at approximately 11:08 a.m. and declared a quorum was present.

AGENDA—

IT WAS MOVED BY Les Heitke, SECONDED BY Kelly TerWisscha, to approve the Agenda and the following Consent Agenda.

CONSENT AGENDA

- Approve: 1. Minutes of October 13, 2022
2. Financial reports as of October 31, 2022
3. Payment of Invoice No. 0299744 from Bolton & Menk in the amount of \$2,561.00 to be paid from the TIGER II Grant/Wye line of the budget
- Accept: Committee/Subcommittee Minutes
1. Agriculture and Renewable Energy Development 9/15/2022
2. Industrial Hemp Exploratory Subcommittee 9/12/2022
3. Business Retention and Expansion/Recruitment 9/2/2022
4. Broadband and Advanced Technology 9/12/2022
5. Marketing and Public Relations 9/26/2022

MOTION CARRIED.

[Abdulcadir Gaal joined the meeting.]

UNFINISHED BUSINESS

Kandiyohi County Housing Study. Backman reported Jay Thompson, President of Viewpoint Consulting Group, Inc., indicates he is on task to complete the housing study by mid-December. Anderson is obtaining additional information from Justice Walker at the City of Willmar and has spoken with major property owners as to vacancy and rental rates. Backman will be contacting Kandiyohi County Housing and Redevelopment Authority's director relative to the study. On November 7, the Willmar City Council approved the final plat for Unique Opportunities on Lakeland Drive.

Willmar Lakes Area Convention & Visitors Bureau Agreement. A November 10 letter from Beth Fischer was received (see attached). Backman noted discussion was held last month on the long-term agreement with the Willmar Lakes Area Convention & Visitors Bureau. The board agreed with Backman's recommendation that the topic be discussed and determined at the boards' 2023 planning session and that \$34,000 remain for 2023 as the budget has been approved.

[Beth Fischer was excused from the meeting.]

Property/Casualty and Workers' Compensation Quotes. Backman informed the board that the estimate for employee health insurance in 2023 was received for a total of \$2,258.18 per month. Kelsey Olson has chosen to be covered under her husband's health insurance.

At the request of the board, staff researched alternatives for property, casualty and workers' compensation coverage (see attached). North Risk Partners informed the EDC that its best options would be between Minnesota Counties Insurance Trust (MCIT) and the League of Minnesota Cities Insurance Trust. Backman recommends the EDC stay with MCIT. As to the difference in cyber coverage, it was noted the EDC's security has been increased through Coordinated Business Systems, Ltd. and backups of the server are saved offsite in another state.

IT WAS MOVED BY Les Heitke, SECONDED BY Mary Warszynski, to continue property, casualty and workers' compensation coverage through Minnesota Cities Insurance Trust for 2023. MOTION CARRIED.

NEW BUSINESS—There was no New Business.

REPORTS

Economic Development Activity. Backman met this week with Nexyst 360; its project for the Willmar Industrial Park continues to move forward. A grant application for the Transportation Economic Development Infrastructure Program was submitted in September; the status of the

grant award is unknown at this time, but the EDC is one of four finalists. Heitke suggested legislators be contacted to assist with lobbying. Backman noted letters of support were received from legislators. Backman noted he recommended the Highway 23 Coalition apply for Corridors of Commerce funding to complete the section of Highway 23 from Highway 71 south of Willmar to County Road 5. The Coalition engaged Bolton & Menk to assist with the Corridors of Commerce application and for federal Congressionally Directed Spending for three other projects. Kandiyohi County, City of Willmar and Willmar Township have provided resolutions in support of the project. Backman reported Vaxxinoa US acquired Newport Labs of Worthington and will be expanding its Willmar production facility. It is looking to purchase additional land from the county near its current location. Backman informed the board that Sarah Swedburg is attending a Real Estate Journal conference in Minneapolis. She also attended a conference for Elevate in New Jersey and a Women in Development site selector conference in Chicago. Her report to the board was emailed and is attached.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development Committee. Backman stated there was no meeting last month, but they will meet next week and discuss participating in a Farmtastic event with the Stingers. The Industrial Hemp Exploratory Subcommittee will hear from Prairie PROducers of Olivia. Olson is working on flyers for the Ag Committee's events.

Broadband and Advanced Technology Committee. Backman reported ribbon cuttings are planned for two broadband projects (Prinsburg and Hawick), which should be completed in December. Olson will be creating invitations that will be sent to the boards. The committee is still waiting to hear about the state Border-to-Border Broadband Development Grant.

Business Retention and Expansion/Recruitment. Backman noted childcare continues to be a concern with more than 770 slots needed in the county. The redemption period for the foreclosure of the Willmar Child Care Center by Southwest Initiative Foundation (SWIF) expired and last Wednesday the African Development Center (ADC) paid off SWIF's loan and took possession of the property. The loans by ADC, Mid-Minnesota Development Commission and the EDC remain. Another childcare center has made an offer on the Willmar Child Care Center building.

Finance. The meeting was cancelled for this week, but will be held next week.

Marketing and Public Relations Committee. Olson is obtaining proposals to revise and update the EDC's website. She has updated several of the EDC's marketing flyers. See her report attached.

Leisure Travel. Chair Benson noted the EDC's proposal relative to the joint agreement was discussed by the committee. Information on the groups coming to the county was received. Backman noted the CVB has had a record increase in lodging tax revenues and is up 23% from pre-pandemic lodging tax revenues. Its highest month was August.

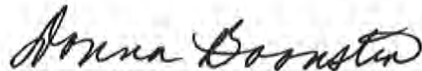
Other. Discussion was held on an article in the *West Central Tribune* Suite Liv'n.

WHAT'S UP?

- Backman informed the board he just returned from vacationing in Peru.
- Heitke noted the house on southeast Litchfield Avenue was moved and placed on a new foundation. Chair Benson stated a parking lot will be built on the north part of the property and another structure will be built. Heitke reported he worked as an election judge and there were no complaints received.
- Warszynski noted another large house on Highway 12 East is being re-sided.
- Backman noted the new building inspector for the City of Willmar has been busy.
- TerWisscha reported work on the South 71 vet clinic is moving along and his business may be able to begin construction on Mel's on south Highway 71; the building will be demolished.
- Jesse Gislason noted he was elected as Mayor of Spicer and is excited about the opportunity. The prices encountered by his business, Alley On Ash, are going up; they added an extra freezer to keep extra food on hand due to limited supplies. Their margins are less.
- Gaal stated his business is steady, but slow. The outlook seems better. He suggested billboards be placed highlighting the advantages of a business locating in Willmar.
- Chair Benson assisted with a fundraiser for Ukraine which raised \$350,000. The local group is working with pastors in the Ukraine who use the funds for the citizens. They purchased a van to transport people.

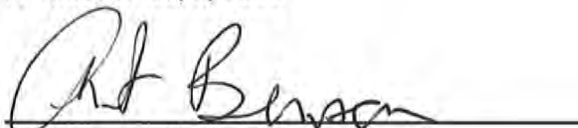
ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 12:26 p.m.

NEXT MEETING—The next regular board meeting is 11:00 a.m., Thursday, December 8, 2022 at the Community Room of Heritage Bank, Willmar, and via Zoom video conference.



Donna Boonstra, Secretary

APPROVED: 12/8/2022



Art Benson, President

November 10, 2022

Kandiyohi County & City of Willmar EDC
Aaron Backman, Executive Director
222 20th Street SE
Willmar, MN 56201



WILLMAR
Lakes Area
CONVENTION & VISITORS BUREAU

Dear Aaron

As the Executive Director for the Willmar Lakes Area Convention & Visitors Bureau, I am writing you today on behalf of the CVB Board of Directors to convey their support of continuing the Tourism Partnership agreement between the Kandiyohi County & City of Willmar EDC and the Willmar Lakes Area Convention & Visitors Bureau. The CVB Board of Directors values this partnership, which was created to reduce the duplication of efforts and allow each of our organizations to do what we do best, while still impacting the economy and the quality of life in our area. We are proud of the work the CVB has done to promote Tourism and ultimately drive Economic Development in Kandiyohi County. This work benefits our businesses, our visitors, and our residents, basically all who live, work and play in Kandiyohi County.

The CVB's work, brings people to Kandiyohi County. Visitors attend meetings and conventions, enjoy tournaments and sporting events and take their vacations in our beautiful lake country. While in our area, the CVB encourages them to explore and experience all the amazing amenities we have to offer. They visit our restaurants, specialty stores, boutiques, breweries, coffee shops, gas stations, attractions and so much more. Their spending fuels our local economy.

Additionally, the CVB's work to promote Kandiyohi County helps raise our community profile and opens doors to enhanced opportunities for business relocation, expansion and new start-ups to happen. We are building a community where people want to live, work, and do business.

Investing in tourism promotion is a great return on your investment. For every \$1.00 invested in tourism promotion, it returns \$180.00 in traveler spending. With no additional work from your staff, your \$34,000 generates over \$6,000,000 in traveler spending in Kandiyohi County. Tourism is a significant boost to Kandiyohi County's economy. We are grateful for your financial support and request that it continues at the same level in 2023 as budgeted by both organizations. I look forward to working with you and the EDC in 2023, to find a mutually agreeable allocation of the tourism dollars moving forward. Together we will continue to grow Kandiyohi County.

Sincerely,

Beth Fischer, Executive Director
Willmar Lakes Area Convention & Visitors Bureau
Email: bfischer@willmarlakesarea.com | Phone: 320-235-3552

cc: EDC Joint Operations Board

2023 INSURANCE ESTIMATES

HEALTH INSURANCE:

	<u>2023 Estimate</u>	<u>2022</u>
BlueAccess HSA Gold \$2500 Plan 653	\$2,258.18	\$2,826.25

Kelsey will be ending her coverage effective 1/1/2023; thus, the premium was reduced by \$559.61

PROPERTY/CASUALTY/WORKERS' COMPENSATION

	<u>Property/Casualty</u>	<u>Property Limit</u>	<u>Bond</u>	<u>Workers' Compensation</u>
Minnesota Counties Intergovernmental Trust (MCIT)	\$4,189 (\$1,000 ded.)		\$50,000	\$391
League of Minnesota Cities Insurance Trust* (LMCIT) (soft quote—rates will increase 11/15/2022)	\$4,889 (\$500 ded.) \$4,678 (\$1,000 ded.)	\$75,000	\$50,000	\$1,649
Paid to MCIT in 2022: Dividends paid to the EDC in 2022: \$441	\$4,982			\$488
MCIT decrease from 2022:	15.9173%			19.877%
Both estimates include cyber coverage	<u>MCIT (2022)**</u>	<u>LMCIT</u>		
First Party Annual Aggregate Limit	\$25,000	\$250,000		First Party Cyber Covenant Limit
Third Party Defense Annual Aggregate Limit	\$12,500	\$10,000,000		Common Cause Pro Rata Shared Limit
Third Party Liability Annual Aggregate Limit	\$12,500	\$25,000,000		12-Month Pro Rata Shared Limit
Deductible per occurrence	\$1,000	\$500		

**Coverage will be similar or better than 2022; cannot purchase higher limits in 2023, but possibly in 2024.



Kandiyohi County & City of Willmar
ECONOMIC DEVELOPMENT COMMISSION

TO: Joint Powers Board

FROM: Sarah Swedburg
Business Development Manager

DATE: October 27, 2022

RE: Business Development Manager Updates

The third quarter of 2022 was filled with activity! I continue to work with several entrepreneurs interested in expanding their existing business or starting a new business, primarily through business plan development and exploring funding options. Between the end of July and end of October, I participated in and/or helped plan the following notable events:

- Community Venture Network
- FarmFest
- Minnesota Brownfields Financial Literacy Forum
- Elevate Alumni Event at Robbins Island Four-Season Shelter
- Connecting Entrepreneurial Communities Conference in Red Wing
- 2023 Farm Bill Roundtable with Senator Tina Smith's Office
- Bingo Appreciation Night for Family Child Care Providers
- Manufacturing Month
- Area Development's Women in Economic Development Consultant Forum in Chicago
- Brunswick/Lund Boats Ribbon Cutting
- Latin Community Resource Event
- Roundtable with Secretary of State Steve Simon
- Willmar Wye Ribbon Cutting & Train Ride
- Rising Tide Capital Partner Summit in Jersey City

Additionally, I have been supporting a tax abatement request from the MinnWest Technology Campus; abatement agreements are currently being drafted. Finally, at the end of September, I was elected Vice President of the Minnesota Association of Professional County Economic Developers.

Broadband

Broadband projects with Charter (New London/Spicer), Arvig (Prinsburg), and Vibrant (Hawick) are complete or will be complete before frost.

The Broadband Committee substantially supported the development of Federated Telephone Cooperative's Border-to-Border Broadband Development Grant application that was submitted at the beginning of August. Kandiyohi County also provided letters of support to Frontier and Charter for their Border-to-Border grant applications. These letters indicated that the Federated project was our top priority.

Elevate

The fourth semester of the Elevate Community Business Academy (CBA) began with information sessions throughout August and orientation on Monday, September 12th. There are 11 students in this semester's class, 3 of which own existing businesses. 81.8% of the students are women, and 54.5% of the students identify as BIPOC. Additionally, students in this semester's class range from ages 23 to 73. We are on track for our last class to take place on Monday, December 12th. Graduation will be on Friday, January 13th at 6 p.m. at the Willmar Education and Arts Center (WEAC). All Joint Powers Board members are invited, and this event is open to the public.

Somali translation of the CBA curriculum has been completed; some adaptation is still needed. We are currently exploring the legalities of the Elevate name that came to our attention during the Connecting Entrepreneurial Communities Conference, as Hennepin County began its "Elevate Business" program around the same time as Elevate CBA. Additionally, we are putting together a proposal to work with the University of Minnesota Extension on an evaluation methodology for Elevate. Finally, as we continue to work on added value for our Elevate Alumni network, we are exploring a 1 Million Cups partnership with Marshall, as well as creating a series of Small Business Owner Education Webinars for our local entrepreneurs.

Grants

In addition to the Border-to-Border Broadband Development Grant, I, along with Kelsey Olson, Marketing and Communications Specialist, and Michelle Marotzke from Mid-Minnesota Development Commission submitted a Child Care Economic Development Grant application to the State Department of Employment and Economic Development (DEED). This application requested \$300,000 from DEED, matched with \$150,000 from Kandiyohi County and \$100,000 from the City of Willmar. We continue to present to cities and townships throughout Kandiyohi County about child care and anticipate additional financial support from many of these entities.

Finally, I supported Kandiyohi County's Rail Grade Crossing Elimination Project Grant Application. This support included providing data about the industrial park, businesses and housing, as well as generally reviewing the application.



Joint Operations Board Meeting

New London, MN

11/9/2022

Marketing and Communications Update

- Request for Proposals were sent out. Three accepted: 8bitstudio out of Hutchinson, E*Tap Marketing out of Willmar and Redwood Valley Technical Solutions out of Redwood Falls all planned to submit proposals. The Willmar WYE event was very successful! The ride on the train even went out on the WYE. Representatives all agreed it was something to celebrate and a great reflection of departments and organizations working together.
- The EDC Branding Guide was revised and will be applied to all marketing documents. All have been finalized allowing the next step to be revising the EDC's flyers on specific areas including Ag & Renewable Energy and Education in Kandiyohi County.
- Partners continue to be invited to partner for the Virtual Career Fair. Presently Redwood and Renville Counties are committed. A marketing toolkit is being completed to support our partners in helping make this a successful event.
- Represent the EDC in community outreach through attendance at township and city council meetings. During these meetings, I have shared the childcare grant application and let them know I am there as part of a new outreach effort. This has led to us being connected to new businesses and those that need assistance. All cities and townships have been appreciative of the effort and welcome having a face to put with the organization.
- Participation in the CVB Leisure Travel Committee continues as does specific communication about projects and planning with Beth Fischer.