

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
FINANCE COMMITTEE
MINUTES
May 9, 2023
EDC Office, Willmar, and Via Zoom Video Conference

Present: Matt Behm, Allen Huselid, Kerry Johnson, Travis Jones, Michelle Marotzke, Justin Schnichels and Kelly TerWisscha

Staff: Sarah Swedburg, Business Development Manager

Excused: Aaron Backman

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

Chairperson Kerry Johnson called the meeting to order at approximately 12:02 p.m. and announced a quorum was present.

AGENDA—Sarah Swedburg added to the Agenda approving a new committee member.

New committee member. Swedburg provided information on Chris Radel, who is interested in being on the committee. Meeting quorum for meetings with an even number of committee members was discussed and it was recommended that an additional member be sought.

IT WAS MOVED BY Allen Huselid, SECONDED BY Michelle Marotzke, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission’s Joint Operations Board that Chris Radel be added to the Finance Committee. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Matt Behm, SECONDED BY Justin Schnichels, to approve the Minutes of the April 11, 2023 meeting as emailed. MOTION CARRIED.

UNFINISHED BUSINESS

O’Brien Power Washing Loan Request. Swedburg reminded the committee that Jesse O’Brien was introduced to the committee at its March meeting. She reviewed a breakdown of the proposed financing for the business: EDC—\$9,400 at 6% interest for a six-year term; Mid-Minnesota Development Commission (MMDC)—\$8,400 at 8.75% interest for a five-year term; a Microenterprise Loan through Southwest Initiative Foundation (SWIF)—\$2,000 at 7% interest for a six-year term; and owner contribution of \$1,600. The 7' x 14' enclosed tandem axle cargo trailer would be titled and is

valued at approximately \$8,000. The value of the remaining equipment is \$4,600. The committee reviewed the application and financial projections done with the assistance of the Small Business Development Center (SBDC). O'Brien plans to continue working at Walt's and do snow removal during the winter. He has met with Lutheran Social Services (LSS) and is addressing repair of his credit. Committee members voiced concerns with O'Brien not approaching a bank. Following discussion, the committee encouraged O'Brien to continue working full-time for another year to earn more money to contribute to the business and to pay down his current debt and repair his credit without going through LSS. Chair Johnson will forward information to Swedburg on another business that assists with credit repair. Swedburg will encourage O'Brien to enroll in the Elevate Community Business Academy this fall.

NEW BUSINESS

To the Moon and Back. Swedburg provided information on To the Moon and Back, a proposed food truck, and its owner Vincent Vu, who graduated from the Elevate Community Business Academy in the fall of 2022. Vu is working with Bernie Berger through the Small Business Development Center. He does not have much experience with retail food businesses.

Intuition Brewing. Swedburg provided information on Intuition Brewing, which is co-owned by Liz Heimer and Micah Larson. They are working with James Miller of Heritage Bank. It is unknown if they are looking at an SBA 7(a) loan.

Outstanding Loan Update. Swedburg gave an update on Coffee & More. The online auction grossed approximately \$12,000 and less the auctioneer's fee, SWIF received approximately \$8,000. Long-term payment plans will be discussed with Dianne Harms. A cottage food-licensed baker (Pink Apron Bakery), who has a partnership with The Goodness is expanding to a commercial-scale bakery and taking over the former Coffee & More location. Swedburg will be contacting the baker to connect her with some technical resources. Marotzke noted she spoke with her yesterday.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 12:51 p.m.

NEXT MEETING—The next committee meeting is 12:00 p.m., Tuesday, June 13, 2023 at the EDC office and via ZOOM video conference.