

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
AGRICULTURE AND RENEWABLE ENERGY DEVELOPMENT(AG) COMMITTEE MEETING
MINUTES
July 20, 2023
EDC Board Room, Willmar and Via Zoom Video Conference**

Present: Rollie Boll, Kevin Halvorson, Kim Larson, Dan Lippert, Nate Reuss and Dan Tepfer

Excused: Larry Konsterlie and Dustin Kotrba

Absent: Abdulcadir Gaal and Keith Poier

Media: Shelby Lindrud, West Central Tribune

Staff: Sarah Swedburg, Business Development Manager

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

Chairperson Kevin Halvorson called the meeting to order at approximately 7:30 a.m.

AGENDA—The EDC Fast Facts flyer was removed from Unfinished Business. Added to New Business was information on the North Central Regional Food District Center and an update on soybean production.

IT WAS MOVED BY Dan Lippert, SECONDED BY Rollie Boll, to approve the revised Agenda. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Rollie Boll, SECONDED BY Dan Tepfer, to approve the minutes of the April 20 and June 15, 2023 meetings as emailed. MOTION CARRIED.

Sarah Swedburg announced the guest speaker will be arriving later than scheduled. The Agenda was taken out of order until the speaker arrives.

UNFINISHED BUSINESS

Committee membership. Swedburg noted one committee member has been unable to attend meetings. The committee currently has 10 members. Swedburg has invited Noah Hultgren, the newest Joint Operations Board member, to be on this committee or the Industrial Hemp Exploratory Subcommittee. She invited any other suggestions for new members. Kim Larson indicated he invited Sarah Leshuk to today's meeting, but she was unavailable; he will invite her again.

EDC 2023 budget. The committee reviewed the current expenditures totaling \$5,135.42 as of June 30, 2023 (see attached). Swedburg informed the committee of some upcoming events she plans to attend and that will result in expenses to the committee. The EDC will have a booth at Farmfest jointly with the

Willmar Lakes Area Convention & Visitors Bureau (CVB). Swedburg will check with Kelsey Olson on payment for the booth.

NEW BUSINESS—

EDC 2024 budget. Swedburg reviewed the proposed line item expenditures for 2024 totaling \$22,775 (see attached). Swedburg has received a couple of calls from individuals interested in being involved in Farmtastic at the Stingers. Sponsors will be sought to cover some expenses related to Farmtastic. Next year the EDC will again partner with the CVB for a booth at Farmfest.

[Danny Carranza joined the meeting.]

The committee's overall budget is increasing approximately five percent from this year. Nancy Birkeland informed the committee that \$5,500 of revenues is budgeted for sponsorships of Farmtastic. Tepfer noted the renewable energy portion of the committee's work is not indicated in the budget.

LATINO ECONOMIC DEVELOPMENT COMMISSION—Swedburg introduced Danny Carranza, Business Development Associate with the Latino Economic Development Commission (LEDC). Carranza stated in his position he is a part of the LEDC's agriculture program. Aaron Blyth was unable to attend today's meeting, but he is the LEDC's Agricultural Program Director. Carranza showed a PowerPoint presentation (see attached). The LEDC has done 41 loans this year, including to 18 Latino farms and 1 Latino cooperative. About half of the loan recipients are ITIN holders (those who do not have a social security number). The LEDC works closely with the Minnesota Farmers Union to identify potential clients for apprenticeships at meat lockers and is also in partnership with Ridgewater College and its meat cutting program, as well as the United States Department of Agriculture (USDA). Carranza noted he works very closely with Aaron Backman and Swedburg on projects. Carranza worked for Jennie-O Turkey Store/Hormel Foods for 17 years; 5 years in live production and the remainder in the plant so he has experience working with the USDA and food production. Dan Lippert suggested Carranza connect with the Minnesota adult Farm Business Management programs. Nate Reuss asked to go with Carranza to visit area farms. Swedburg noted the EDC has been working for a couple of years to work more closely with the LEDC and became familiar with Carranza through his participation in the EDC's Elevate Community Business Academy.

NEW BUSINESS CONTINUED—

Farmfest booth volunteers. Swedburg requested volunteers to staff the booth at Farmfest August 1-3. There are four-hour and two-hour time slots available. Reuss and Dan Tepfer volunteered to assist.

Farmtastic. Swedburg asked for volunteers to help plan and connect with potential sponsors for the Farmtastic event to possibly be held in August of next year. She will also be asking for a couple of volunteers from the Willmar Lakes Area Chamber of Commerce's Agri-Business Committee. Plans are to model the event closely after what was previously done by the Minnesota Corn and Soybean Growers Association, which had seven to eight booths with an ag-related activity for children.

North Central Regional Food District Center. Reuss reported the [USDA Regional Food Business Centers](#) is trying to support a more resilient, diverse and competitive food system and correct and support a food safety net. Financial assistance of up to \$100,000 is available to support projects focused on regional needs

and businesses that are working towards expansion and other investment. Mid-Minnesota Development Commission (MMDC) has been tasked with beginning to engage cottage-level food producers that are insulated from global markets and to provide financial support, if needed. The North Central Region covers Minnesota, North Dakota and South Dakota with the Region Nine Development Commission in Mankato being the local ag funding source for all Minnesota Regional Development Commissions. By December 31, 2023, Reuss must submit a plan on how MMDC's four-county region will deliver the program and fund local producers. Reuss asked that this topic be on each monthly agenda for the committee to discuss getting resilient food production, improve local food infrastructure and access points locally. It is a six-year program to start. He will continue to keep this committee informed of the program.

Soybean production. Kim Larson reported on contact with Harold Stanislawski, who indicated soybean processing has changed in the past 6-12 months. There is a large supply of meal in the area and Stanislawski is recommending that now is the time to speak with Jennie-O Turkey Store and Willmar Poultry to think about constructing a soybean processing plant. Larson noted Dawson has a large supply of meal. Larson has also spoken with Mike Youngerberg of the Minnesota Soybean Research and Promotion Council in this regard.

STATUS OF 2022-2023 GOALS—Swedburg reported a large number of the committee's goals have been completed. She requested the committee review the goals, determine which ones have not been completed and should be moved to 2024 goals, as well as ongoing opportunities to address future needs.

Swedburg has contacted Ridgewater College, which may have a staff person who can speak at next month's meeting.

REPORTS

Industrial Hemp Exploratory Subcommittee. Swedburg reported the European company returned to Kandiyohi County for a third time and viewed the three plots planted by Hultgren Farms. Kandiyohi Power Cooperative has joined the EDC's conversations with the company. The EDC is locating potential grant programs the company may be able to access. Stanislawski and Swedburg will be planning a field day to visit the hemp fields possibly the end of August or early September for a demonstration of harvesting the hemp fields with a new piece of equipment that may be coming from Indiana. The county is looking good as a possible location for the company and the local fields are well advanced from other areas being considered.

Ag and Renewable Energy Opportunities. Swedburg reminded the committee to attend the Partners In Ag Innovation Conference on July 25. Approximately 100 people are registered for in-person attendance and 80 for online attendance. She gave an update on MB Rail's purchase of property in the Willmar Industrial Park. The proposed sheep and goat slaughter plant has been referred to the state for potential gap financing. It hopes to break ground this year for construction of a 3,500 sq. ft. facility. Swedburg reported two more state Border-to-Border Broadband Grant applications were approved for East Lake Lilian and Lake Elizabeth Townships and Vibrant Broadband received a \$19 million grant for Irving, Roseville and Burbank Townships. Thirteen of 24 townships have had broadband projects. Approximately \$200 per passing is contributed by each township; a contribution is required. The EDC's Broadband and Advanced Technology Committee is looking for additional funding to use once the county no longer has American Rescue Plan Act (ARPA) funds. Each township has ARPA funds, but not all are using those funds for broadband.

ADJOURNMENT—There being no further business,

IT WAS MOVED, SECONDED AND CARRIED to adjourn the meeting.

The meeting was adjourned at approximately 9:07 a.m.

NEXT MEETING—The next meeting is **7:30 a.m., Thursday, August 17, 2023** at the EDC Board Room and via ZOOM video conference.

Kandiyohi County and City of Willmar EDC
Profit & Loss Budget Performance
 June 2023

	<u>Jun 23</u>	<u>Jan - Jun 23</u>	<u>Annual Budget</u>
Committee Expenses			
Ag/Renewable Energy Development			
Ag Projects	0.00	290.00	3,500.00
Conferences/Seminars/Trainings	0.00	650.00	3,000.00
Meals/Meeting Refreshments	0.00	145.02	200.00
Mileage/Travel	0.00	139.53	1,000.00
Partners In Ag Innov. Sponsor	0.00	1,500.00	1,500.00
Professional Services			
General Administrative Services	212.17	974.37	2,700.00
Professional Services - Other	0.00	1,436.50	
Total Professional Services	<u>212.17</u>	<u>2,410.87</u>	<u>2,700.00</u>
Supplies (office or program)	0.00	0.00	250.00
Other	0.00	0.00	500.00
Total Ag/Renewable Energy Development	<u>212.17</u>	<u>5,135.42</u>	<u>12,650.00</u>



2024 Proposed Budget		2023 Budget Amended 4/27/2023	Paid as of 4/30/2023
REVENUES			
COMMITTEE EXPENSES			
Agriculture and Renewable Energy Development			
Advertisement (Ind. Hemp Rooted magazine ad)	\$ 1,400		
Ag Projects (Ind. Hemp Econ. Impact Study)	\$ 5,000	\$ 3,500	\$ 290
Conferences/Seminars/Trainings (including Industrial Hemp)	\$ 3,000	\$ 3,000	\$ 50
Meals/Meeting refreshments	\$ 200	\$ 200	\$ 23
Mileage/Travel	\$ 1,000	\$ 1,000	\$ 6
Farmtastic (Stingers Night)			
Stingers Package	\$ 6,000		
Giveaways	\$ 850		
FarmFest (giveaways & booth)	\$ 1,025		
Partners in Ag Innovation Conference Sponsor & Marketing	\$ 1,500	\$ 1,500	\$ 1,500
Professional Services			
General Administrative Services	\$ 2,500	\$ 2,700	\$ 722
Professional Services - other	\$ -		\$ 1,437
Supplies (office or program)	\$ 300	\$ 250	\$ -
Other	\$ -	\$ 500	\$ -
Total Ag Committee Expenses	\$ 22,775	\$ 12,650	\$ 4,028



Latino Economic Development Center

Centro para el Desarrollo Económico Latino



Aaron Blyth – Director of Ag Program



Rodrigo Cala – Ag Program Lead Trainer

Our Mission is:

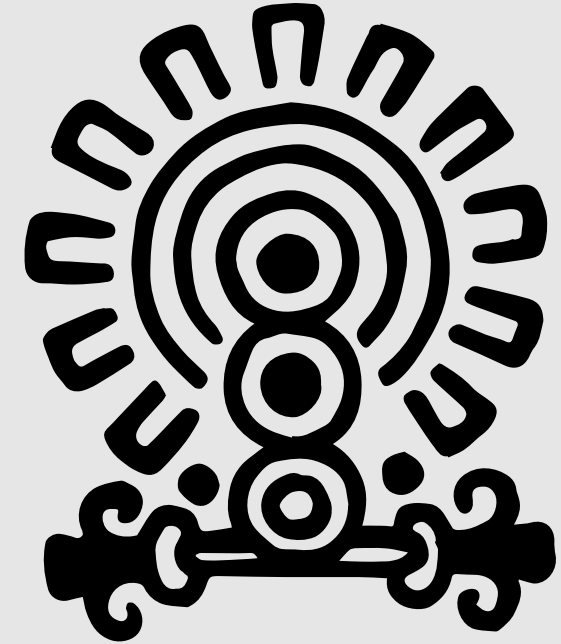


To transform our community through the creation of economic opportunities for Latinos

- ❖ LEDC has over 25 years of supporting Latino businesses throughout Minnesota.
- ❖ LEDC has been a CDFI since 2013
- ❖ We have lent out \$7 million in loans through 790 individual loans
- ❖ Currently our loan fund has \$2.1 million in funds
- ❖ Funds come from mix of bank loans, foundations, and governmental programs
- ❖ A large percentage of our clients are ITIN holders. All of our ITIN holders receive loans through funds we receive from bank loans that 2% interest for us.

Ag Loan Program:

- ❖ Since 2016 we have done 41 loans for a total of \$893,000 to farmers
- ❖ Loans from \$3,000 to \$50,000, 1 Farm loan for \$150,000
- ❖ 29 farms total: 18 Latino farms, 8 Hmong farms, 2 Black farms, 1 Woman-owned Urban farm
- ❖ 1 loan to a Latino-owned Farmers' Cooperative
- ❖ 1 loan to a tortilleria that is buying local corn to make its tortillas
- ❖ ½ of all loan recipients are ITIN holders.
- ❖ Source of funds are Rural Finance Authority of Minnesota's Microfarm loan program and banks for ITIN holders.



Agricultural Program Work:

- ❖ Farm start-up & expansion
- ❖ Farm business development
- ❖ Farm lending program
- ❖ Technical Assistance in Vegetables, Sheep/Goat, Poultry, calve production
- ❖ Coop Development – Shared Ground, incubator coops, land coop.



Average Farm:



- ❖ Latino or BIPOC owned
- ❖ 0-10 years experience farming in U.S.
- ❖ 75% own land, 25% renting
- ❖ Range from 5 to 50 acres
- ❖ Diverse - more than one enterprise
- ❖ All have fulltime off-farm job
- ❖ Building infrastructure slowly
- ❖ No paid employees/Family members work on farm

Agua Gorda – The Beginning

- ❖ 8 Members joined Cooperative
- ❖ Co-op incorporated in April 2012
- ❖ Each member invested \$250
- ❖ Started in community garden
- ❖ Rented 5 acres from city
- ❖ Sold to Shared Ground Farmers Coop
- ❖ Focused on vegetables



Agua Gorda Cooperative Today

- ❖ Owns 55 acres worth \$200,000
\$50,000 farm equipment
- ❖ Sales average \$60K/year
- ❖ Organically Certified since 2016
- ❖ Starting a calf operation in 2023
- ❖ Has received 4 loans for total of
\$200,000
- ❖ In process with Compeer to buy
LEDC land loan and \$50,000 more
for Operating Loan



Challenges and Future of Ag Lending:

- ❖ ITIN holders are a large portion of our client base and we need to find larger sources of finance for this group.
- ❖ Many farmers need 20 hours or more of TA to reach loan application stage.
- ❖ Building enterprise models that our clients can plug into
- ❖ Work to leverage our loans for larger loans from banks and government entities



(612) 724-5332



East Side Enterprise Center
804 Margaret Street
Saint Paul, MN 55106



www.ledcmn.org

