

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
JOINT OPERATIONS BOARD OF DIRECTORS (OB)

**MINUTES**

August 10, 2023

Community Room, Heritage Bank, N.A., Willmar and Via ZOOM Video Conference

Present: Art Benson, Abdulcadir Gaal, Jesse Gislason, Noah Hultgren and Kelly TerWisscha

Excused: Les Heitke and Mary Warszynski

Ex Officio: Steve Gardner

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

Guest: Kathryn Leys, University of Minnesota Extension Educator

Media: Jennifer Kotila, West Central Tribune

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

Chairperson Art Benson called the meeting to order at approximately 11:06 a.m. and declared a quorum was present.

**AGENDA**—Added to the Consent Agenda under Approve was item 3b, invoice from Ten17 Media for Elevate educational videos in the amount of \$5,000 to be paid from Elevate grant funds and item 3c, invoice from RMB Environmental Laboratories, Inc. in the amount of \$5,500 to be paid from childcare grant funds.

IT WAS MOVED BY Noah Hultgren, SECONDED BY Kelly TerWisscha, to approve the Agenda as presented and the following revised Consent Agenda:

**CONSENT AGENDA**

- Approve:
1. Minutes of July 13, 2023
  2. Financial reports as of July 31, 2023
  3. Approve payment of invoices over \$2,500:
    - a. American Welding & Gas in the amount of \$4,200 from childcare grant funds
    - b. Invoice No. 1354 from Ten17 Media in the amount of \$5,000 from Elevate grant funds
    - c. RMB Environmental Laboratories, Inc. in the amount of \$5,500 from childcare grant funds

Accept: Committee/Subcommittee Minutes

1. Agriculture and Renewable Energy Development 4/20 and 6/15/2023
2. Broadband and Advanced Technology 7/10/2023
3. Business Retention and Expansion/Recruitment 3/3/2023
4. Marketing and Public Relations 5/22/2023

MOTION CARRIED.

**PRESENTATION OF 2021 RETAIL TRADE ANALYSIS**—Kathryn Leys, University of Minnesota (U of M) Extension Educator, was introduced and presented the 2021 Retail Trade Analysis: Willmar and Kandiyohi County (see attached). Leys noted the information comes from state sales tax data and is normally a lag of two-years.

[Justice Walker joined the meeting.]

She noted there was a decline in three areas: lodging, amusement and electronics. All other areas were strong in Willmar. An indicator of strong industries is if the sales changes are 20-35%. The areas in that range were building materials (39.9%), clothing (37.0%), personal services (35.4%), leisure goods (33.1%), repair services (29.5%), health and personal (21.8%) and gas and convenience (21.2%). A pull factor of 1 is what is expected, above that the sales were more than expected. Pull factors are based on income and population compared to the state income and population. In 2019, the overall pull factor for Kandiyohi County was slightly down. Leys recommended the EDC keep an eye on the pull factor as changes could be made that would affect it. Taxable sales vs. gross sales are not verified by the state; self reported only. Sales decreased by 5.4%, but increased between 2020 and 2021. Fewer businesses may have led to the decrease in sales tax. Sales are relatively stable. Vehicles does not include actual vehicles, but stores that provide vehicle parts. Trends in building materials has a significantly high pull factor of nearly 4.0; gas and convenience is also increasing and could possibly be attributed to Kwik Trip. Food sales are groceries and have been relatively stable since 2015 with a pull factor above 1; eating and drinking increased as well, which is surprising in light of COVID. Leys noted Willmar is a healthy regional center where people go to stay and purchase building materials. General merchandise and electronics tend to go down. The retail sector in Willmar is very strong, 58% higher overall. As to the comparisons on pages 19 and 20, she would probably remove North Mankato as it does not have stores in every category.

Willmar had the strongest growth in the county in the retail report. The county is also seeing growth, but not as much as Willmar. Willmar had 73% of the sales, but it is only 46% of the businesses in the county. Local option sales taxes are not included in this report. Retail/service sales went up almost 9% in the county. The trend is starting to go up and Leys recommends keeping an eye on it. The county had more increases between 2019 and 2021. Leisure goods had a 200% increase and building materials also went up significantly. ATVs, RVs and campers that are hauled are included under leisure goods. The pull factor is much lower than Willmar's. Repair services is high. Comparisons were made to the neighboring counties of Stearns, Renville, Meeker, Swift and Chippewa.

**UNFINISHED BUSINESS**—There was no unfinished business.

## NEW BUSINESS

**Executive Pulse License Agreement, Proposal and Costs.** Aaron Backman informed the board that Synchronist, the customer relationship management software the EDC has used for several years, closed its business at the end of last year and, as a result, staff has been researching new options. Staff received a presentation by Executive Pulse. Sarah Swedburg provided information on the software, which includes ability to do business surveys, contact management system, group emails to specific business types and it integrates with the EDC's current email program. Other programs researched were not a fit for the EDC. Executive Pulse has migrated other Synchronist data without any issues. Exhibit A of the Proposal for Technology & Related Support Services (see attached) by Executive Pulse shows a one-time charge of \$11,095 and an annual fee of \$2,795 thereafter. The EDC has requested Kandiyohi County and the City of Willmar to each contribute \$3,500 toward the initial one-time fee. Executive Pulse will provide BRE survey templates that can be used. Swedburg will make sure everyone is trained and utilizing the program to its full extent. The License Agreement (see attached) gives the EDC unlimited use and unlimited access to the program.

IT WAS MOVED BY Abdulcadir Gaal, SECONDED BY Kelly TerWisscha, to approve the Proposal by Executive Pulse, authorize Aaron Backman to sign the License Agreement and purchase a CRM Enterprise License in the total amount of \$11,095, which includes an Outlook Integration Module at a one-time fee of \$875 and a survey/mail campaign module at a one-time fee of \$3,500 to be paid from reserve funds and that the expense be added to the 2023 budget under Office Expenses/Equipment Maintenance and Rental/Software. MOTION CARRIED.

## REPORTS

**Economic Development Activity.** Justice Walker reported the Kuepers project will begin this fall. The issue with Popeyes has been resolved and it will break ground this fall. Les Schwab Tires is moving forward and working out issues with Menards. The city of Willmar held a business owner broadband information session and will be sending out a survey. The city's attorney is working on the contract with Hometown Fiber, which is very complex; it should be completed by September. A city-appointed board will oversee the contract and any grievances for service. The city may need to hire an employee to manage the program. Plans are for construction to begin in January and take four years to complete. Service will be 100 gigabit upload and download.

Backman reported the Willmar City Council approved easements for Preserve on 24<sup>th</sup>. It is looking at two buildings with 72 units south of Walmart and will begin construction later this month. Backman continues to meet with a variety of housing developers, including a new developer this week from Stearns County that is interested in 55+ owner-occupied housing, twin homes and fourplexes. In July, Swedburg met with a developer from the Twin Cities who focuses on green, environmentally-friendly housing. The developer was given potential sites around the county and may look at a demonstration property. Backman has interacted with Trident Development of St. Cloud for an assisted living project. Its first location was turned down by the Willmar Park & Recreation Board, but another location is being considered and it met with the landowner last

week. Backman toured the new Stevens County childcare facility, which was a partnership with its Housing and Redevelopment Authority, using a pod system for six home providers. Stevens County used 60% of its American Rescue Plan Act funds for childcare. The state approved four providers being under one roof; however, kitchen facilities and playgrounds must be scheduled as providers cannot use them at the same time. The article on Willmar was published in [Business View Magazine](#). Yesterday, a crew was in Willmar to submit a video to the International City/County Management Association.

**Elevate Community Business Academy.** Swedburg reported there are 78 people on the wait list, 20 have attended an information session and 50% have submitted an application for the course. The application deadline is August 28; applications will be reviewed August 29 with 15 being selected. Classes will be Wednesdays from 5:30 to 7:30 p.m. and will be led by Stephanie Lopez of Spurs. Swedburg and Scott Marquardt of Southwest Initiative Foundation (SWIF) will meet on Monday about a new technical assistance grant through the state; SWIF will be the applicant. They are looking to expand the program and will also be looking at other funding opportunities. More information can be found in Swedburg's July 27 report ([see attached](#)).

**Child Care Economic Development Grant.** Swedburg reported Friday is the deadline for the next round of forgivable loans. Only a couple of applications have been received to date. They are focusing on launching a mentorship program. Kelsey Olson has been following up with the mentees. The EDC will partner with Lutheran Social Services on an Employee Assistance Program to connect providers with mental healthcare professionals. The EDC is on track to spend all of the grant dollars. SWIF will have funds available to train childcare providers and the EDC will re-purpose its funds toward forgivable loans. The EDC Joint Powers Board approved the Shared Services Agreement between the EDC and United Community Action Partnership (UCAP). UCAP reviewed the Shared Services Agreement this week and it is hoped it will be finalized soon as UCAP plans to hire before the end of the month.

**Main Street Economic Revitalization Program.** Swedburg reported the forms required by the state are taking a long time, but progress is being made. SWIF has expedited four grants. Grantees have until June 2024 to start a project and they must be completed by June 2026. The EDC will receive \$5,000 from SWIF as reimbursement for its involvement in the program.

## COMMITTEE REPORTS

**Finance.** The EDC Finance Committee approved a loan to Pink Apron Bakery, which recently moved from a residence to the former Coffee & More location in Spicer. SWIF will also provide funding. The owner, Mackenzie Dohmann, contributed \$19,000 of her own funds and is looking for total financing of \$25,000 to purchase equipment and for working capital.

IT WAS MOVED BY Kelly TerWisscha, SECONDED BY Abdulcadir Gaal, to approve a loan to Pink Apron Bakery LLC under the Kandiyohi County and City of Willmar Economic Development Commission's Microenterprise Loan Fund in the amount of \$12,500 at 6.5% interest with a six-year term and second security position behind Southwest Initiative Foundation in the equipment. MOTION CARRIED.

**Agriculture and Renewable Energy Development.** The EDC, in partnership with the Willmar Lakes Area Convention and Visitors Bureau (CVB), had a booth at Farmfest. The cost of the booth will be split with the CVB. Committee members helped staff the booth.

**Industrial Hemp Exploratory Subcommittee.** The subcommittee continues to work with the European company, which will be visiting the county soon for the fourth time. Plans are being made for a field day to which the board will be invited.

**Broadband and Advanced Technology.** The committee is looking at reaching out to six more townships for projects.

**Marketing and Public Relations.** Olson reported she continues to assist with the childcare grant program; she participated in Farmfest, celebrated Lake Lillian's centennial. The committee plans to work on the EDC's rebranding internally and create personas for the website. A proposed name change is going out today to community partners and they are looking at a new logo. She has paused work on the website until the EDC's rebranding is finished. A new newsletter will go out next week. Additional information can be found in her July 13 report ([see attached](#)).

**Business Retention and Expansion/Recruitment.** On August 24 a virtual business resource one-stop-shop event will be held on the new laws that pertain to businesses. This event will be open until October 15. A virtual career fair for the healthcare field is tentatively set for September 14 and one will be held October 12 for manufacturers. Information on these events are on the EDC's website.

#### **WHAT'S UP.**

- TerWisscha reported Mel's 7/71 Truck Plaza is opening September 16.
- Jennifer Kotila reported the West Central Tribune hired a new reporter, who will focus on businesses.
- Walker announced a retirement party for Gary Manzer, Willmar's Public Works Director, will be held today at 2 p.m.
- Steve Gardner announced the county commissioners have a booth at the Kandiyohi County Fair and will show a public works slide show on the 5/55 bridge project and a five-year road and bridge plan. Next year there are five projects planned for the Willmar area. Community Addiction Recovery Enterprise lost its lease at the MinnWest Technology Campus; the state will be closing the program. Rep. Dave Baker has been in contact with the state about the issue.
- Jesse Gislason noted this week the city of Spicer accepted the resignation of Jacob Kolander as City Administrator and offered the position to Jen Beckler as a six-month interim position; they may need to hire a new individual. Alley on Ash is gearing up for the fall bowling season.
- Noah Hultgren noted the good boat accesses in the county.
- Leys announced the U of M Extension is hosting the 2023 Connecting Entrepreneurial Communities conference in New London September 14-15. Registration is \$100 and will be open longer than planned. U of M Extension will also be doing a free traveling business succession workshop for economic developers, Small Business Development Centers and business advisors. It is looking for hosts to market the event and do the registration.
- Gardner announced Family Promise opened its residential facility that can accommodate seven to nine families in downtown Willmar. Other transitional housing is being discussed.

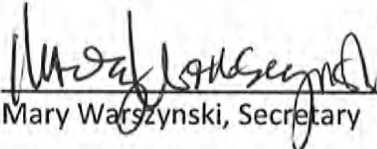
- Swedburg reported the New London Food Co-op is progressing and a potluck is being held tonight at Holm Park to celebrate that progress.

**ADJOURNMENT**—There being no other business,

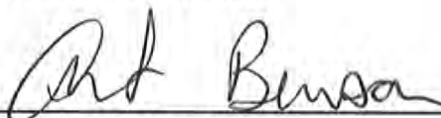
IT WAS MOVED BY Kelly TerWisscha, SECONDED BY Jesse Gislason, to adjourn the meeting.

The meeting was adjourned at approximately 1:06 p.m.

**NEXT MEETING**—The next regular board meeting is 11:00 a.m., Thursday, September 14, 2023 at the Community Room of Heritage Bank, Willmar, and via Zoom video conference.

  
\_\_\_\_\_  
Mary Warszynski, Secretary

APPROVED: 9/14/2023

  
\_\_\_\_\_  
Art Benson, President



UNIVERSITY OF MINNESOTA EXTENSION

DEPARTMENT OF COMMUNITY DEVELOPMENT

# 2021 Retail Trade Analysis: Willmar and Kandiyohi County

A Tool Used to Measure the Economic Health of the Local Retail Economy

Authored by Kathryn Leys, University of Minnesota Extension Educator



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A Tool Used to Measure the Economic Health of the Local Retail Economy

July 28, 2023

Authored by Kathryn Leys, University of Minnesota Extension Educator

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Kandiyohi County & City of Willmar Economic Development Commission





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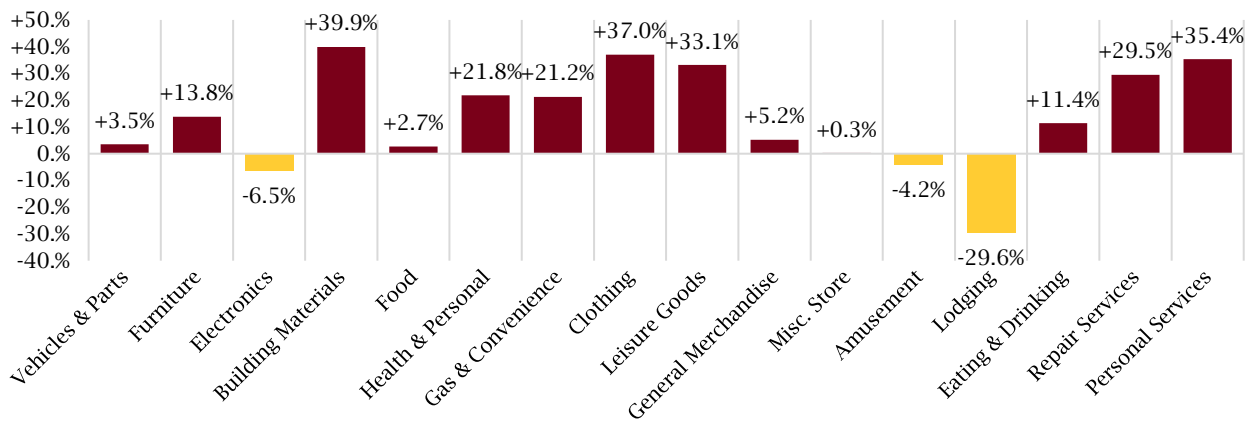
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# Executive Summary

## Overall Trends

The Minnesota Department of Revenue releases sales tax information each spring for the year that ended about 15 months earlier. The latest information indicates that Willmar's taxable retail and service sales increased 12.2% between 2019 and 2021 to \$362 million.<sup>1</sup> Building Materials stores are the largest contributor of taxable sales in Willmar's economy. This category accounted for \$108 million in taxable sales in 2021. Between 2019 and 2021, the category saw a 39.9% increase in sales, the greatest percent increase of all merchandise categories. The largest increase in dollar sales was also in the category of Building Materials, which increased by \$30.74 million in total sales from 2019 to 2021. Electronics, Lodging, and Amusement establishments were the only categories that saw a decrease in sales over the last three years. The largest decrease was in the Lodging category, with taxable sales down by almost \$9 million, or 9.5 percent. The decrease in lodging sales tax follows trends at both the county and state level. From 2019 to 2021, both Kandiyohi County and the state saw decreases in lodging sales taxes.

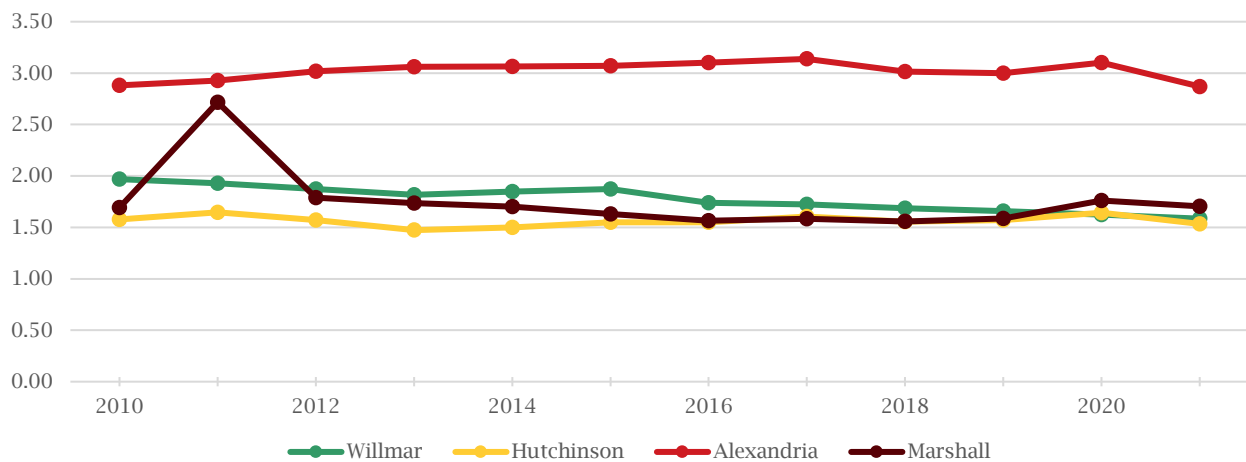
Figure 1: Taxable Sales Changes from 2019 to 2021 by Category



## Comparisons with Other Area Cities

There are several ways to measure performance other than dollars of sales. Economists expect cities with larger populations to have more sales since their potential customer base is larger. A way to compensate for that in a retail trade analysis is to measure the pull factor.<sup>2</sup> Willmar's pull factor was 1.59 in 2021. The city's per capita taxable sales in 2021 were estimated to be \$17,184, about \$6,300 higher than the state average of \$10,839.

Figure 2: Overall Pull Factors for Nearby Cities Over Time



## Comparing Willmar's Performance to Similar Minnesota Cities

Figure 3, shown below, provides information on taxable sales by merchandise category. "Expected sales" is a standard to which actual performance is compared. In calculating expected sales, population, income, and typical "pulling power" characteristics are taken into account. The following table calculates pulling power using a similar non-metro city list based on population + or - 40% of Willmar's, including communities like Faribault, Otsego, Bemidji, and Sartell. For a longer list of included cities, see page 19. Expected sales can be used as a guideline or "par value" in analyzing retail strength.

*Figure 3: Actual vs Expected Taxable Sales for Selected Merchandise Categories*

Merchandise Category	Expected Sales (millions)	Actual Sales (millions)	Variance As % of Expected	Trade Area's Estimated Customer Gain (or Loss)
Vehicles & Parts	\$18.08	\$15.58	-13.8%	-2,916
Furniture	\$6.03	\$12.36	105.0%	22,127
Electronics	\$4.73	\$5.17	9.4%	1,972
Building Materials	\$57.74	\$107.72	86.5%	18,241
Food	\$19.24	\$22.97	19.4%	4,088
Health & Personal	\$3.14	\$4.90	55.9%	11,771
Gas & Convenience	\$8.79	\$10.55	20.0%	4,215
Clothing	\$2.36	\$3.54	50.1%	10,560
Leisure Goods	\$2.94	\$2.66	-9.5%	-1,995
General Merchandise	\$59.83	\$49.28	-17.6%	-3,718
Misc. Store	\$14.71	\$9.80	-33.4%	-7,038
Amusement	\$3.23	\$2.07	-35.8%	-7,544
Lodging	\$8.15	\$21.38	162.3%	34,211
Eating & Drinking	\$41.73	\$47.45	13.7%	2,887
Repair Services	\$7.58	\$18.29	141.2%	29,759
Personal Services	\$1.53	\$2.52	64.9%	13,684
<b>Total Taxable Retail &amp; Services*</b>	<b>\$229.19</b>	<b>\$362.18</b>	<b>58.0%</b>	<b>12,229</b>

\*All retail and service categories are included in total sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to total sales.

## The Bottom Line

Willmar has been increasing its retail strength since 2010, and with a pull factor of 1.59, it draws in more sales than anticipated for its size. When compared with other Minnesota communities, Willmar performs well, bringing in 58.0% more sales than expected. Some business categories, such as Lodging, Repair Services, and Furniture establishments are bringing customers into the community to shop. Opportunities exist, however, to capture more spending locally since local consumers also appear to shop outside the community for other goods and services (e.g., Amusement). Some categories, such as General Merchandise, are strong yet underperform in expected sales when compared to other communities of similar size. The following report details how various retail categories have changed since 2010. Individual businesses can see how they have performed compared to the broader community. This report is also useful for identifying opportunities to provide new or expanded goods and services.

<sup>1</sup> The data in this summary are not adjusted for inflation.

<sup>2</sup> Pull factor compares the local taxable sales per capita to that of the state. A pull factor index higher than 1.0 usually indicates that businesses are pulling in customers from outside their community. A lower pull factor usually indicates residents are leaving the community to make purchases.

## Retail Trade Overview

### Total Taxable and Gross Retail Sales

The table below presents gross and taxable retail and services sales for Willmar from 2010 through 2021. Without inflation adjustments, taxable sales in Willmar increased 8.4 percent from 2015 to 2021, while the number of firms fell 4.3 percent. Statewide, taxable sales increased 26.2 percent over the same time period and the number of firms fell 2.3 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

### Overview of Retail/Services Sales Over Time

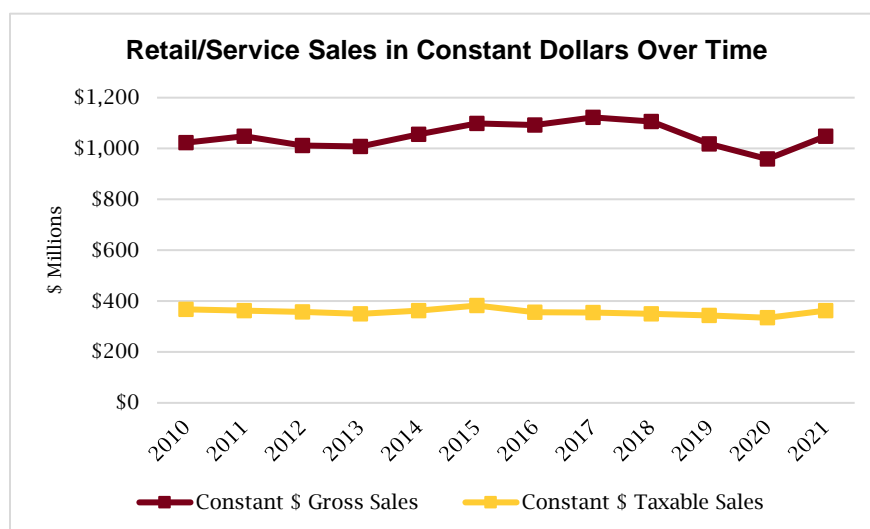
Year	Estimated Population	Current Dollars		Constant 2021 Dollars		Number of Firms	Per Capita Sales	Pull Factor
		Gross Sales* (\$millions)	Taxable Sales (\$millions)	Gross Sales* (\$millions)	Taxable Sales (\$millions)			
2010	19,610	\$825.21	\$296.77	\$1,023.13	\$367.95	503	\$15,134	1.97
2011	19,600	\$873.55	\$301.75	\$1,048.86	\$362.30	491	\$15,395	1.93
2012	19,694	\$860.88	\$304.16	\$1,012.33	\$357.67	476	\$15,444	1.87
2013	19,717	\$883.88	\$306.95	\$1,008.59	\$350.25	482	\$15,568	1.82
2014	19,731	\$926.13	\$318.30	\$1,056.38	\$363.06	480	\$16,132	1.85
2015	19,848	\$959.07	\$334.11	\$1,098.50	\$382.68	469	\$16,833	1.87
2016	19,891	\$962.54	\$314.64	\$1,091.79	\$356.90	482	\$15,818	1.74
2017	20,008	\$1,010.56	\$319.71	\$1,122.41	\$355.09	483	\$15,979	1.72
2018	20,096	\$1,021.13	\$323.12	\$1,105.95	\$349.96	488	\$16,079	1.69
2019	20,226	\$955.95	\$322.90	\$1,018.42	\$344.00	474	\$15,964	1.66
2020	21,015	\$910.79	\$317.86	\$958.68	\$334.57	476	\$15,125	1.62
2021	21,076	\$1,047.97	\$362.18	\$1,047.97	\$362.18	449	\$17,184	1.59
7 yr Change '15 to '21	6.2%	9.3%	8.4%	-4.6%	-5.4%	-4.3%	2.1%	-15.3%
3 yr Change '19 to '21	4.2%	9.6%	12.2%	2.9%	5.3%	-5.3%	7.6%	-4.5%

\* Gross sales figures are self-reported by firms and not audited by the Dept. of Revenue for accuracy.

### Retail Sales in Constant Dollars

The table above also presents sales data in constant 2021 dollars.

These figures have been adjusted for inflation to reflect their value in 2021. For example, in 2010, taxable sales in Willmar totaled \$296.77 million, an amount worth \$367.95 million in 2021 dollars. In constant dollars, gross sales fell -4.6 percent between 2015 and 2021. Constant dollar taxable sales decreased -5.4 percent over the same time period.

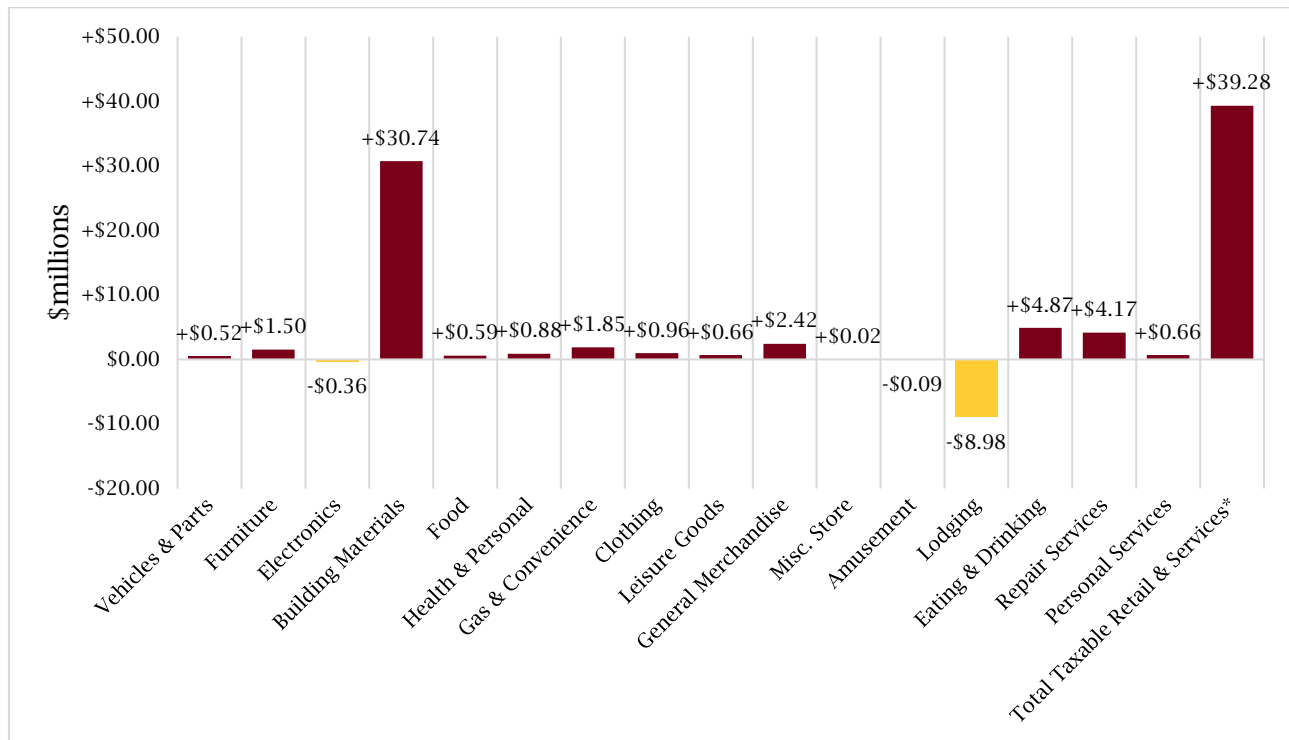


## Willmar Selected Components of Change\*, 2019 to 2021

Merchandise Category	Taxable Sales 2019	Taxable Sales 2021	Dollar Change	Percent Change	Dollar Change (millions)
Vehicles & Parts	\$15,054,937	\$15,576,003	+\$521,066	+3.46%	+\$0.52
Furniture	\$10,859,900	\$12,357,962	+\$1,498,062	+13.79%	+\$1.50
Electronics	\$5,531,400	\$5,171,139	-\$360,261	-6.51%	-\$0.36
Building Materials	\$76,980,705	\$107,719,256	+\$30,738,551	+39.93%	+\$30.74
Food	\$22,376,788	\$22,970,817	+\$594,029	+2.65%	+\$0.59
Health & Personal	\$4,022,912	\$4,900,274	+\$877,362	+21.81%	+\$0.88
Gas & Convenience	\$8,700,272	\$10,548,052	+\$1,847,780	+21.24%	+\$1.85
Clothing	\$2,584,839	\$3,542,166	+\$957,327	+37.04%	+\$0.96
Leisure Goods	\$1,997,484	\$2,659,248	+\$661,764	+33.13%	+\$0.66
General Merchandise	\$46,859,574	\$49,275,471	+\$2,415,897	+5.16%	+\$2.42
Misc. Store	\$9,772,182	\$9,796,653	+\$24,471	+0.25%	+\$0.02
Amusement	\$2,162,916	\$2,072,513	-\$90,403	-4.18%	-\$0.09
Lodging	\$30,364,628	\$21,380,528	-\$8,984,100	-29.59%	-\$8.98
Eating & Drinking	\$42,581,150	\$47,450,851	+\$4,869,701	+11.44%	+\$4.87
Repair Services	\$14,121,385	\$18,291,233	+\$4,169,848	+29.53%	+\$4.17
Personal Services	\$1,862,474	\$2,521,313	+\$658,839	+35.37%	+\$0.66
<b>Total Taxable Retail &amp; Services</b>	<b>\$322,895,274</b>	<b>\$362,175,388</b>	<b>\$39,280,114</b>	<b>+12.16%</b>	<b>+\$39.28</b>

\* Figures not adjusted for inflation.

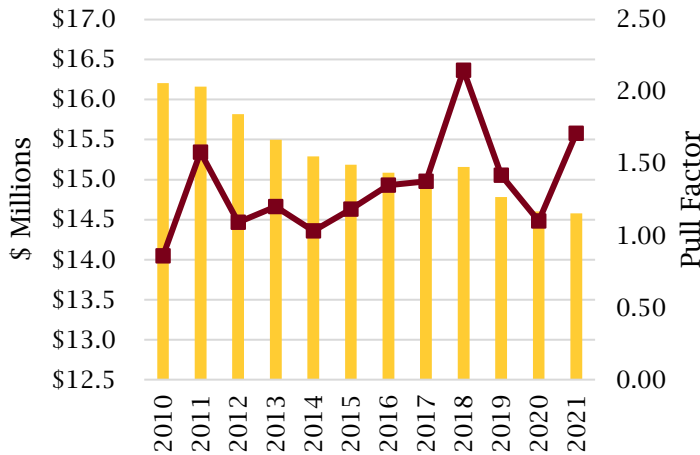
## Taxable Sales Changes by Merchandise Category, 2019 to 2021



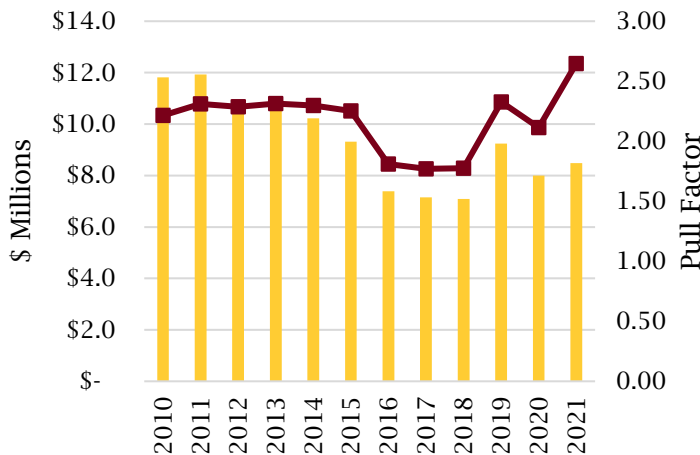
## Recent Trends By Merchandise Category

■ Pull Factor   ■ \$ Millions

### Vehicles & Parts



### Furniture



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

NA=Suppressed Data

4.3% of Willmar's taxable sales in 2021

Sales per capita are \$739

Stores in the Motor Vehicle and Parts Dealers subsector retail motor vehicles and parts from fixed point-of-sale locations. This can include automobiles, campers, RV's, boats, out-board motors, sailboats, snowmobiles, motorcycles, and all-terrain vehicles. On-road vehicle sellers do not collect sales tax but rather Motor Vehicle Tax. Sales tax is collected on boats, snowmobiles, dirt bikes, ATVs, and parts.

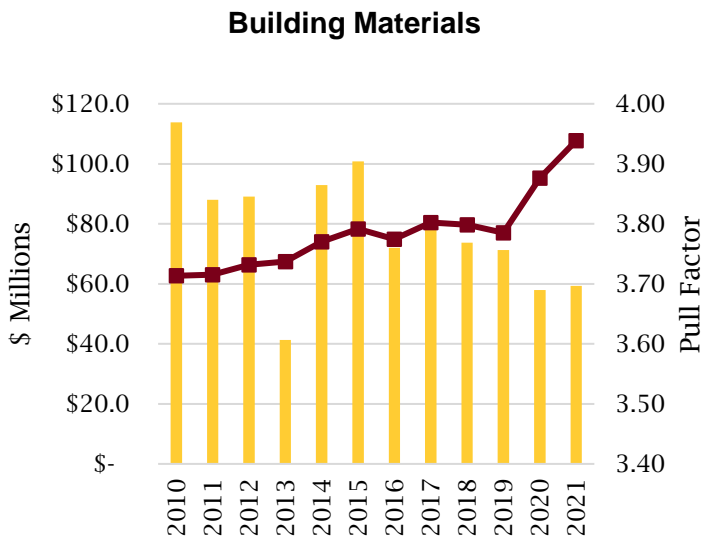
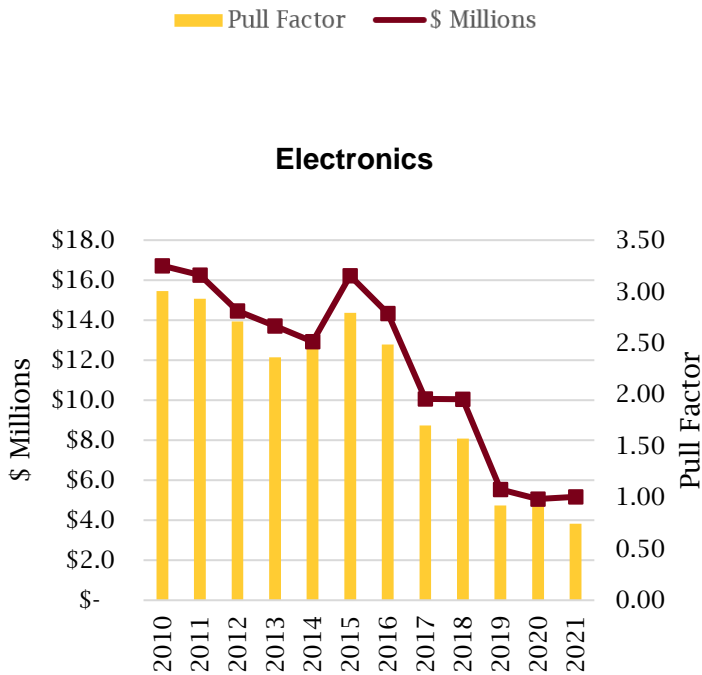
3.4% of Willmar's taxable sales in 2021

Sales per capita are \$586

Stores in the Furniture and Home Furnishings subsector retail new furniture and home furnishings from fixed point-of-sale locations. This can include bed stores, office furniture, carpet stores, window treatments, lamps, framing shops, linens, and kitchenware.



## Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

NA=Suppressed Data

1.4% of Willmar's taxable sales in 2021

Sales per capita are \$245

Stores in the Electronics and Appliance subsector retail new electronics and appliances from point-of-sale locations. This can include household appliances, sewing machines, vacuum cleaners, computers, cameras, telephones, cell phones, televisions, and radios.

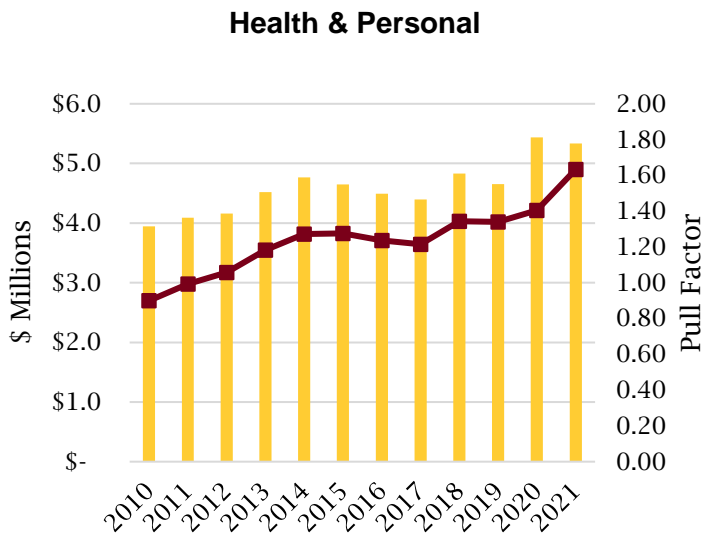
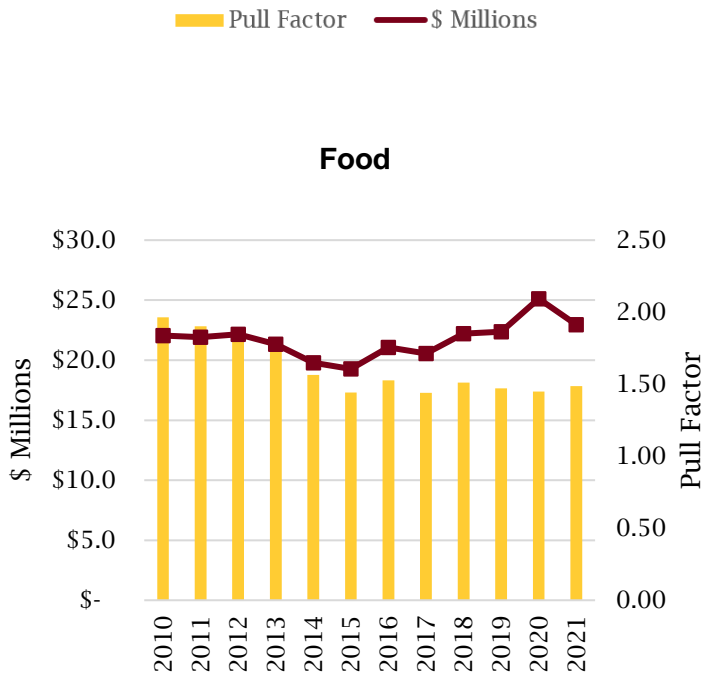
29.7% of Willmar's taxable sales in 2021

Sales per capita are \$5111

Stores in the Building Material and Garden Equipment and Supplies Dealers subsector retail new building material and garden equipment and supplies. This includes home improvement centers and stores that sell paint, wallpaper, ceramic tile, fencing, windows, roofing, siding, hardware, and plumbing.



## Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

NA=Suppressed Data

6.3% of Willmar's taxable sales in 2021

Sales per capita are \$1,090

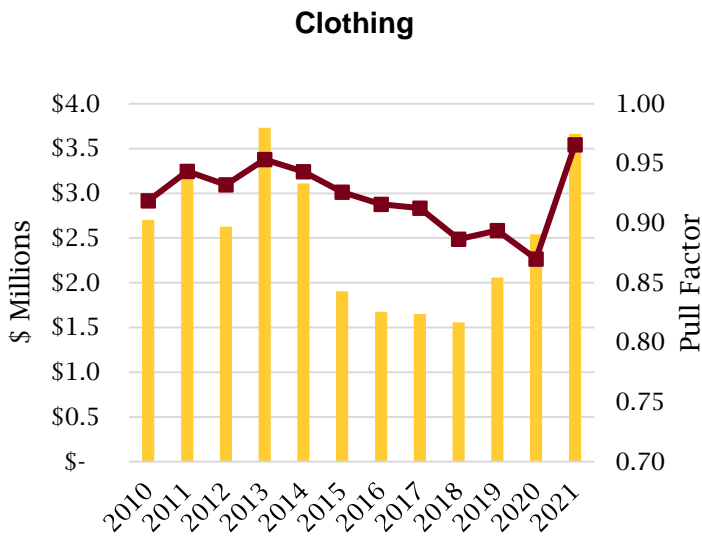
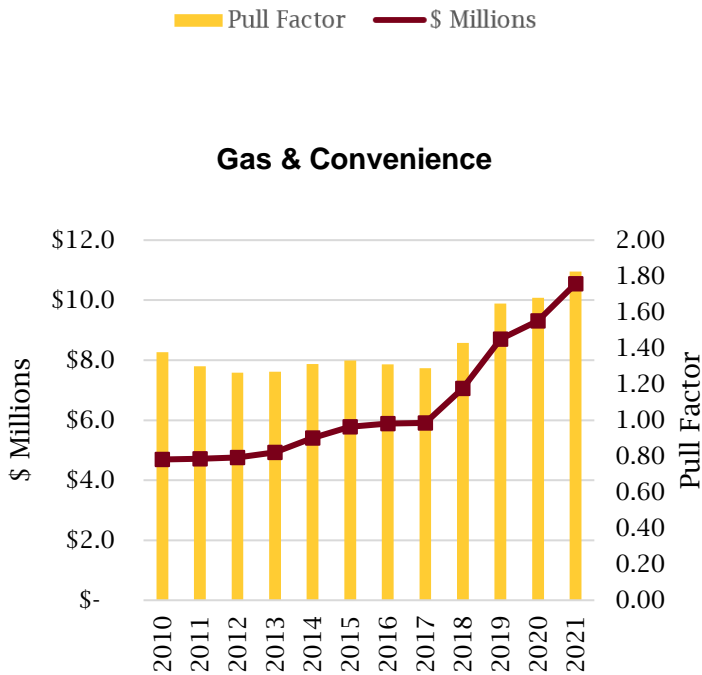
*Stores in the Food and Beverage Stores subsector usually retail food and beverages merchandise from fixed point-of-sale locations. This can include grocery stores, liquor stores, bakeries, candy shops, butcher stores, meat markets, and produce markets.*

1.4% of Willmar's taxable sales in 2021

Sales per capita are \$0,233

*Stores in the Health and Personal Care Stores subsector retail health and personal care merchandise from fixed point-of-sale locations. This includes drug stores, health supplement stores, hearing aid stores, optical goods stores, cosmetic stores, medical supply stores, etc.*

## Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.

NA=Suppressed Data

2.9% of Willmar's taxable sales in 2021

Sales per capita are \$500

Stores in the Gasoline Stations subsector group establishments retailing automotive fuels (e.g., gasoline, diesel fuel, gasohol) and automotive oils and retailing these products in combination with convenience store items. This includes truck stops, C-stores, marine service stations, and ordinary gas stations that sell automotive supplies.

1.0% of Willmar's taxable sales in 2021

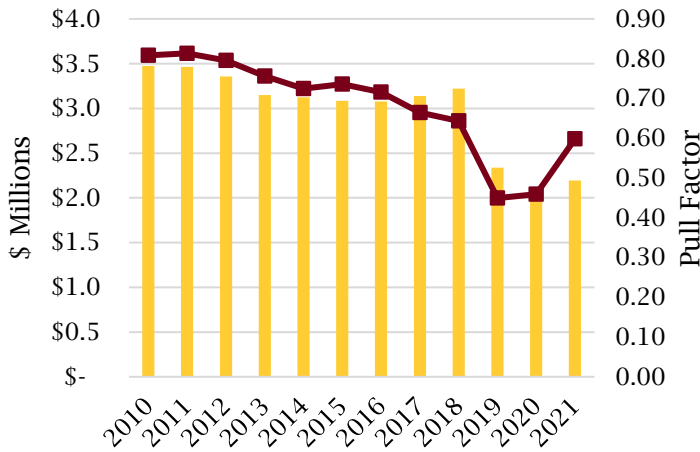
Sales per capita are \$168

Stores in the Clothing and Clothing Accessories Stores subsector retailing new clothing and clothing accessories. Besides clothing stores, it includes shops that sell jewelry, shoes, luggage, handbags, wigs, ties, bridal gowns, furs, uniforms, T-shirts, baby clothing, swimsuits, and lingerie.

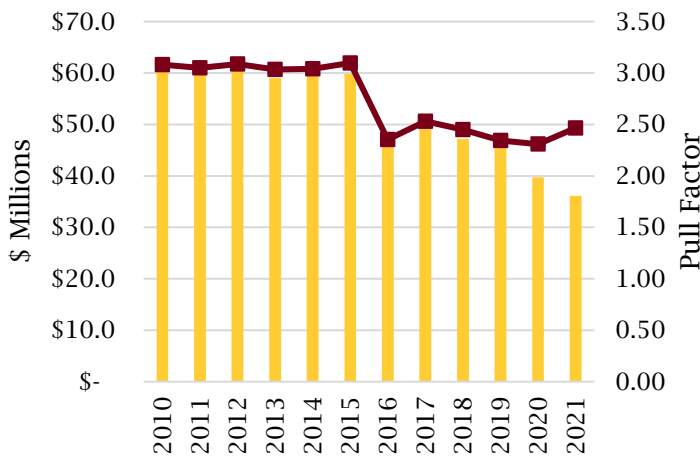
# Recent Trends By Merchandise Category

■ Pull Factor   ■ \$ Millions

## Leisure Goods



## General Merchandise



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor. NA=Suppressed Data

0.7% of Willmar's taxable sales in 2021

Sales per capita are \$126

Stores in the Sporting Goods, Hobby, Book, and Music Stores subsector are engaged in retailing and providing expertise on use of sporting equipment or other specific leisure activities, such as needlework and musical instruments. Newsstands also fit in this subsector.

13.6% of Willmar's taxable sales in 2021

Sales per capita are \$2338

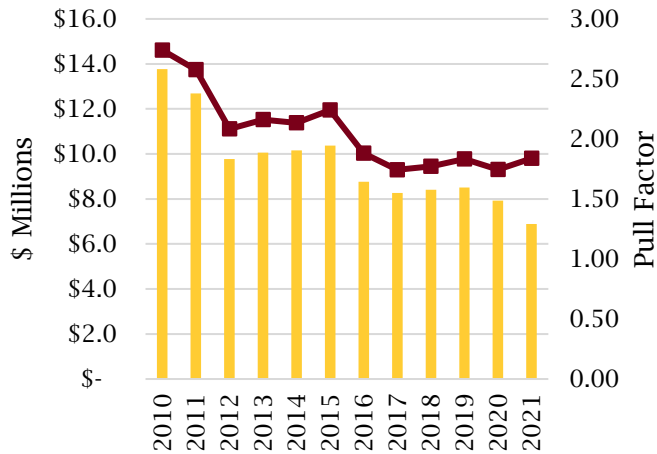
Stores in the General Merchandise subsector retail new general merchandise and are unique in that they have the equipment and staff capable of retailing a large variety of goods from a single location. This includes department stores, superstores, dollar stores, and variety stores.



## Recent Trends By Merchandise Category

■ Pull Factor   ■ \$ Millions

### Miscellaneous Stores

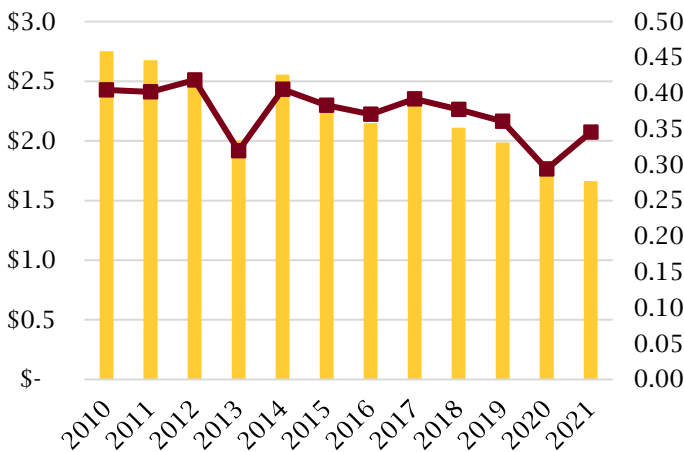


2.7% of Willmar's taxable sales in 2021

Sales per capita are \$465

*Establishments such as florists, used merchandise stores, and pet and pet supply stores as well as other store retailers. **Also, if a community had fewer than 4 stores in a previous sector, it was included in this category. This may cause unrealistically high Pull Factors.***

### Amusement

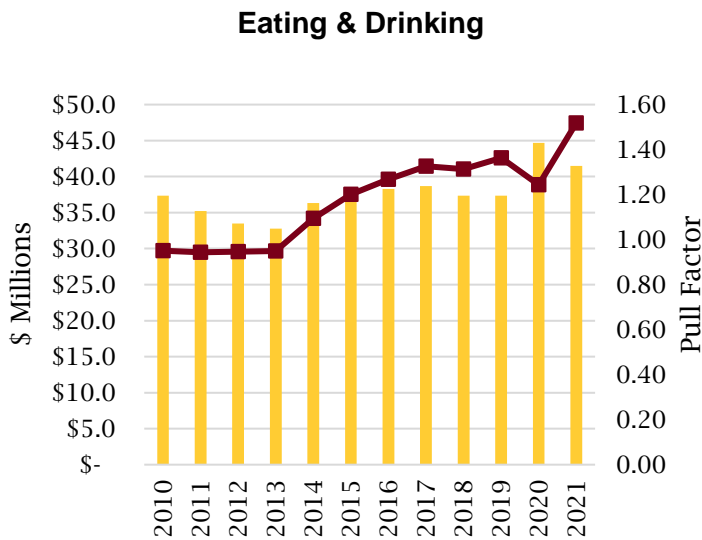
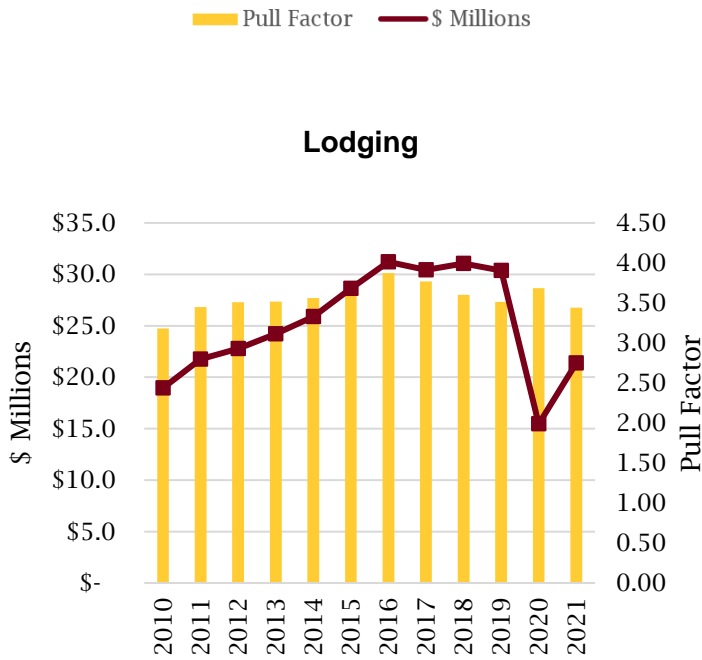


0.6% of Willmar's taxable sales in 2021

Sales per capita are \$98

*Establishments include casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, roller rinks, and the like.*

## Recent Trends By Merchandise Category



This page looks at several merchandise categories to chart the multi-year trend in taxable sales and pull factor.  
NA=Suppressed Data

5.9% of Willmar's taxable sales in 2021

Sales per capita are \$1014

*These businesses provide lodging or short-term accommodations for travelers, vacationers, and others. Included are hotels, motels, lodges, bed & breakfasts, campgrounds, fraternities, boarding houses, and dormitories.*

13.1% of Willmar's taxable sales in 2021

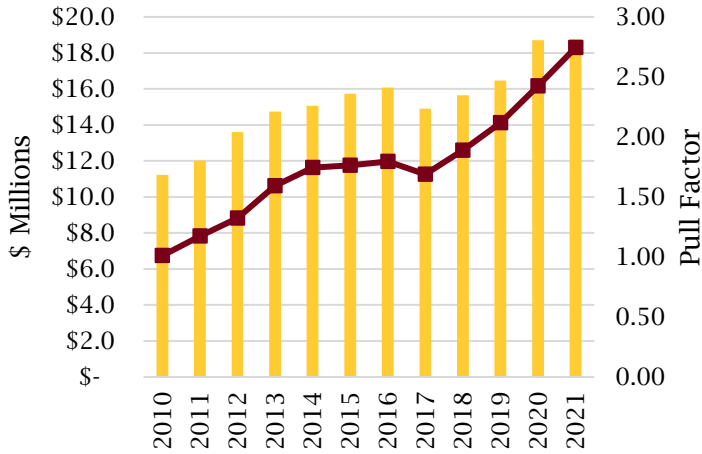
Sales per capita are \$2251

*These businesses sell food at full-service or limited-service establishments. It includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors. It also includes bars, taverns, and nightclubs.*

# Recent Trends By Merchandise Category

■ Pull Factor    ■ \$ Millions

## Repair Services

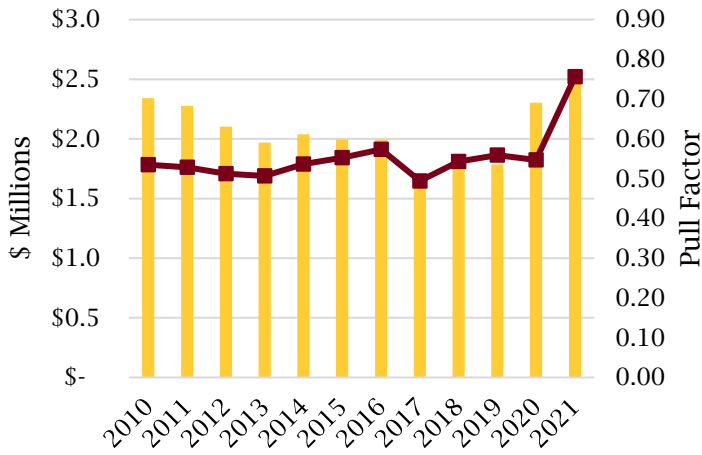


5.1% of Willmar's taxable sales in 2021

Sales per capita are \$868

*The Repair and Maintenance subsector restore machinery, equipment, and other products to working order. It does **not** include plumbers & electricians. It does include repairs to autos, cameras, radios, televisions, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furniture, shoes, guns, etc.*

## Personal Services



0.7% of Willmar's taxable sales in 2021

Sales per capita are \$120

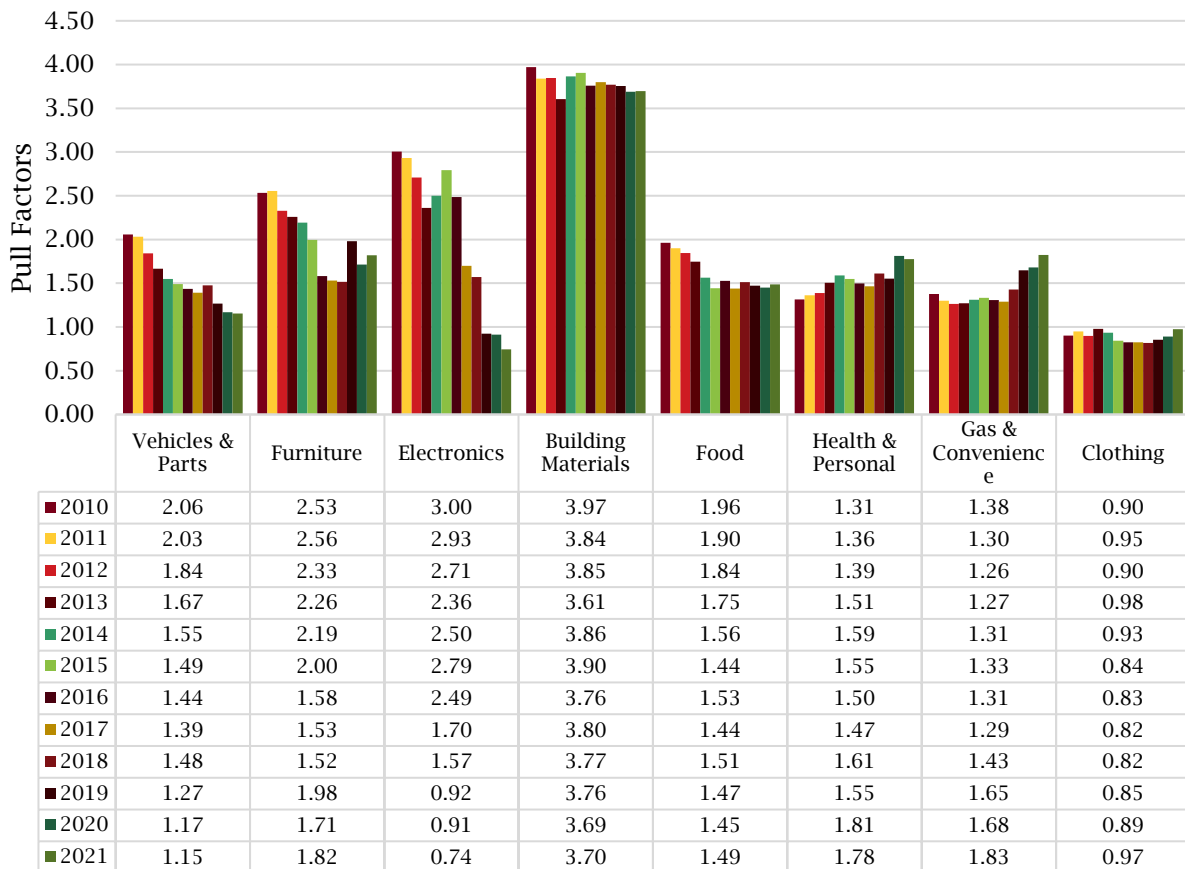
*Services performed include: personal care services; barber shops & beauty parlors; death care services; laundry and drycleaning services; and a wide range of other personal services, such as pet care (except veterinary) services, photofinishing services, temporary parking services, and dating services.*



## Recent Trends By Merchandise Category: Willmar

The following tables and charts depict pull factors in Willmar from 2010 to 2021 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.

Pull Factors by NAICS Merchandise Category (1 of 2)



### NAICS Category Descriptions

**Motor Vehicles & Parts:** Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

**Furniture:** Stores that sell furniture, beds, carpeting, window coverings, lamps, china, kitchenware, & woodburning stoves.

**Electronics:** Establishments primarily engaged in retailing household-type appliances, sewing machines, cameras, computers, and other electronic goods.

**Building Materials:** Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.

**Food:** Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.

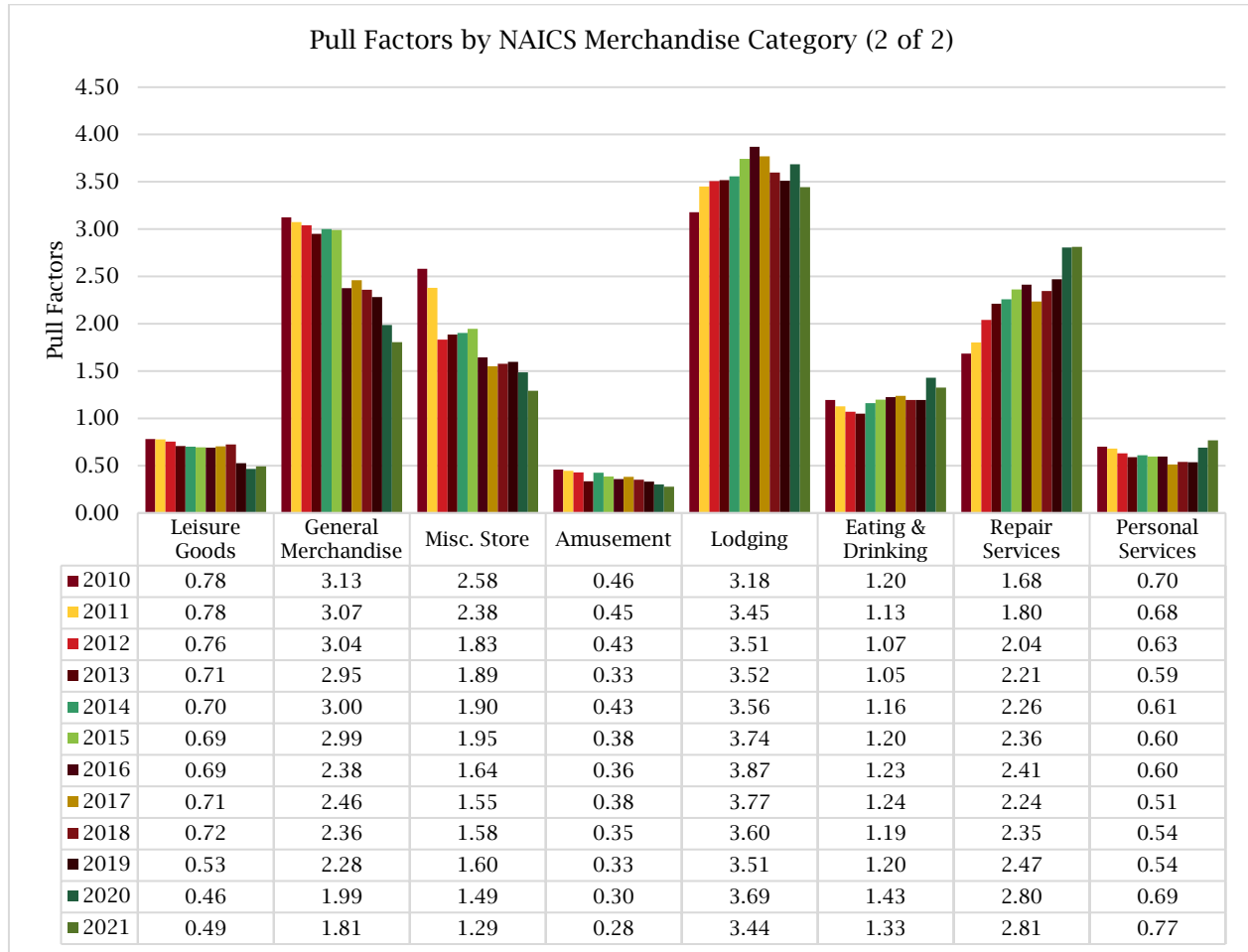
**Health & Personal:** Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.

**Gas Stations/Convenience Store:** Retailers that sell fuel along with convenience store items.

**Leisure Goods:** Sporting goods, books, music, hobby stores, fabric shops, and toy stores.

## Recent Trends By Merchandise Category: Willmar

The following tables and charts depict pull factors in Willmar from 2010 to 2021 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



### NAICS Category Descriptions

**General Merchandise:** Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

**Miscellaneous Store Retailers:** Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and trophies. (see Suppressed Data in Cautions section)

**Non-Store Retail:** Retailers that do not use stores. This includes mail order, internet selling, bazaars, vending machines, fuel oil dealers, firewood dealers, door-to-door sales, and produce stands.

**Amusement:** Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

**Lodging:** Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

**Eating & Drinking:** Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs.

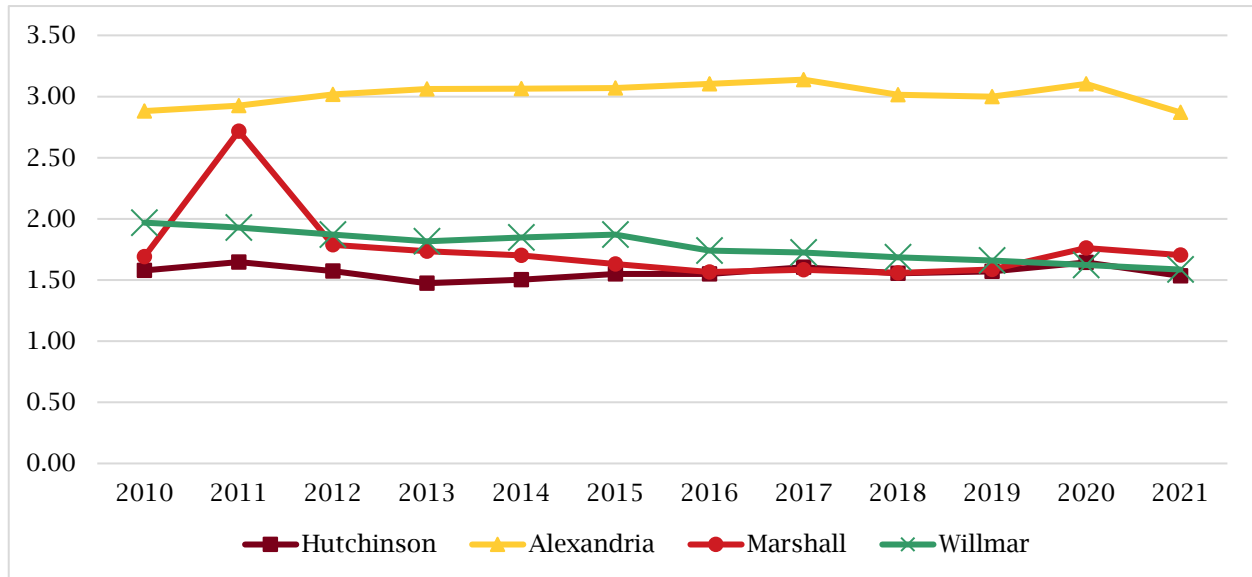
**Repair:** Businesses that return items to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.



## Comparison with Competing Centers

Information about competing trade centers can provide a useful means of comparison when assessing a community's retail trade sector. Comparison towns were selected based on geographic proximity, relative size, and availability of data. Some caution is warranted in the interpretation of these comparisons, however, as retail sales data is provided for only a limited number of towns and cities.

### Comparison of Pull Factors of Competing Centers Over Time



### Comparison with Competing Trade Centers

Town	Population	Gross Sales (\$millions)	Taxable Sales (\$millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Willmar	21,076	\$1,047.97	\$362.18	449	17,184	1.59
Hutchinson	14,703	\$501.64	\$244.48	309	16,628	1.53
Alexandria	14,690	\$1,046.67	\$457.01	591	31,110	2.87
Marshall	13,618	\$553.67	\$251.66	330	18,480	1.70

## Rural Community Trade Area Analysis: Willmar

The following table provides information on retail sales by merchandise category. Expected sales is a standard to which actual performance is compared. When calculating expected sales, population and income characteristics, as well as the typical pulling power of similar rural communities are taken into account. Expected sales can be used as a guideline or "par value" in analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages), additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, positive aspects can be identified and built upon.

### Trade Area Analysis by Merchandise Category, 2021

Merchandise Category	Expected Sales (\$millions)	Actual Sales (\$millions)	Variance Between Actual & Expected		Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
			In Dollars (millions)	As % of Expected			
Vehicles & Parts	\$18.08	\$15.58	-\$2.50	-13.8%	+2,916	13	4.3%
Furniture	\$6.03	\$12.36	+\$6.33	+105.0%	+22,127	6	3.4%
Electronics	\$4.73	\$5.17	+\$0.44	+9.4%	+1,972	9	1.4%
Building Materials	\$57.74	\$107.72	+\$49.98	+86.5%	+18,241	12	29.7%
Food	\$19.24	\$22.97	+\$3.73	+19.4%	+4,088	17	6.3%
Health & Personal	\$3.14	\$4.90	+\$1.76	+55.9%	+11,771	12	1.4%
Gas & Convenience	\$8.79	\$10.55	+\$1.76	+20.0%	+4,215	11	2.9%
Clothing	\$2.36	\$3.54	+\$1.18	+50.1%	+10,560	18	1.0%
Leisure Goods	\$2.94	\$2.66	-\$0.28	-9.5%	+1,995	6	0.7%
General Merchandise	\$59.83	\$49.28	-\$10.55	-17.6%	+3,718	6	13.6%
Misc. Store	\$14.71	\$9.80	-\$4.91	-33.4%	+7,038	27	2.7%
Amusement	\$3.23	\$2.07	-\$1.16	-35.8%	+7,544	11	0.6%
Lodging	\$8.15	\$21.38	+\$13.23	+162.3%	+34,211	14	5.9%
Eating & Drinking	\$41.73	\$47.45	+\$5.72	+13.7%	+2,887	54	13.1%
Repair Services	\$7.58	\$18.29	+\$10.71	+141.2%	+29,759	32	5.1%
Personal Services	\$1.53	\$2.52	+\$0.99	+64.9%	+13,684	38	0.7%
<b>Total Taxable Retail &amp; Services*</b>	<b>\$229.19</b>	<b>\$362.18</b>	<b>+\$132.98</b>	<b>+58.0%</b>	<b>+130,305</b>	<b>449</b>	<b>100.0%</b>

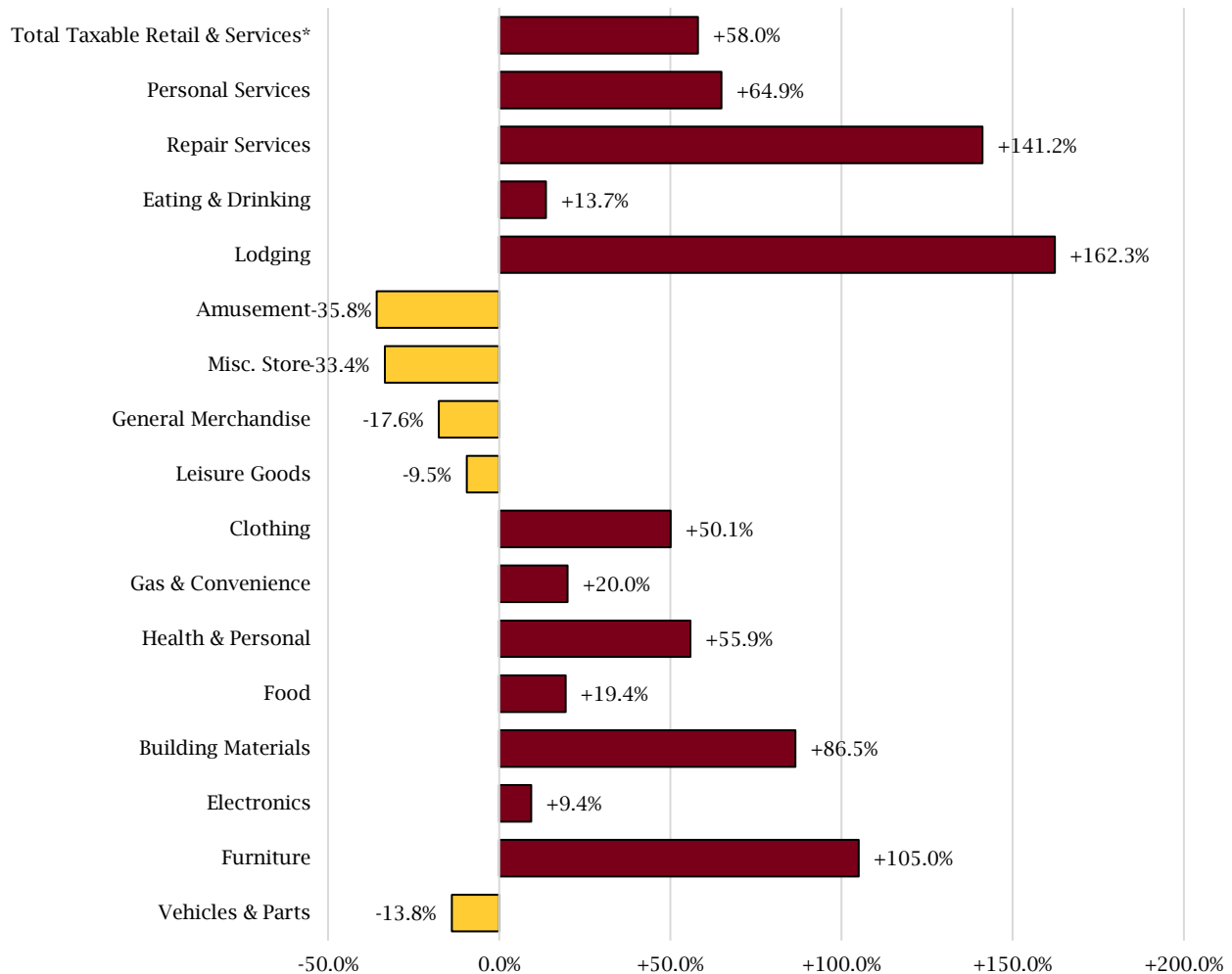
\*All retail and service categories are included in total sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to total sales.

## Summary of Willmar Retail Trade Analysis

The chart below depicts the percentage amount of Willmar's actual sales were above or below expected sales in 2021 by merchandise group. Of the 16 merchandise categories with reported data, sales in 11 of the categories were above what would be expected based on the performance in similar-sized cities in Greater Minnesota. The strongest merchandise group by this standard is the Lodging category, which has a 162.3 percent surplus. Overall, Willmar had a retail sales surplus of 58.0 percent in 2021.

It is important to note that variations in a city's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision makers consider these influences when constructing policies, plans, or projects.

### Percentage of Taxable Sales Above or Below Expected Sales by Merchandise Category

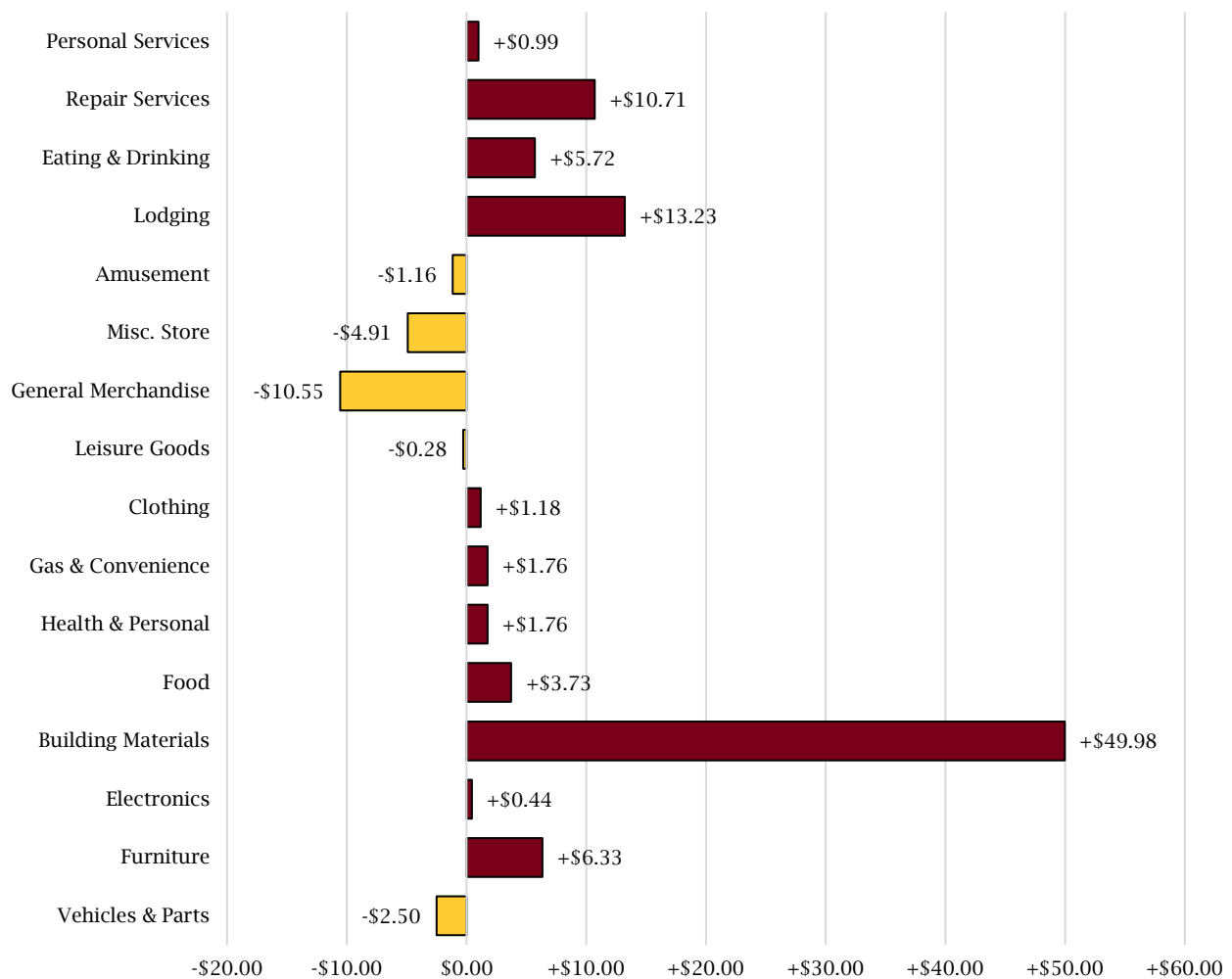


## Summary of Willmar Retail Trade Analysis

The chart below depicts the dollar amount of Willmar's actual sales that were above or below expected sales in 2021 by merchandise group. Of the 16 merchandise categories with reported data, sales in 11 of the categories were above what would be expected based on the performance in similar-sized cities in Greater Minnesota. The strongest merchandise group by this standard is the Lodging category, which has a \$49.98 million surplus. Overall, Willmar had a retail surplus of \$133.0 million in 2021.

It is important to note that variations in a city's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers, management, marketing, and transportation patterns are just a few factors that can cause the retail sales of a particular city to deviate substantially from expected sales. It is important that decision makers consider these influences when constructing policies, plans, or projects.

### Millions of \$ of Taxable Sales Above or Below Expected Sales by Merchandise Category



# Comparison of Pull Factors by Merchandise Category

## 2021 Index of "Pulling Power"

Cities Outside the Seven-County Metro Area with Populations Between

12,600 and 29,500 (Range: Populations of Willmar +/- ~ 40%)

PULL FACTORS (26 CITIES)

CITY	Population	Vehicles & Parts	Furniture	Electronics	Building Materials	Food	Health & Personal	Gas & Convenience	Clothing	Leisure Goods	General Merchandise	Misc. Store	Amusement	Lodging	Eating & Drinking	Repair Services	Personal Services	Total Taxable Retail & Services*
OWATONNA	26,647	0.75	0.19		1.15	1.32		1.70	0.78		1.87	0.83		0.85	1.11		0.45	1.04
AUSTIN	26,492	0.47	0.62	0.70	0.51	1.07	1.04	1.62	0.77	0.34	1.31	0.72	0.26	0.84	0.82	0.76	0.20	0.67
ELK RIVER	26,179	1.71	1.08	0.24	3.41	1.19	1.21	0.93	0.36	0.66	1.37	1.56	0.74		1.23	1.45		1.28
WINONA	25,405	0.65		0.58	1.38		0.72	1.83		0.41	2.30		0.43	1.52		0.62	0.40	1.04
FARIBAULT	24,298	0.89	0.32	0.45	0.45	1.34	0.95	0.77	0.67	0.26		4.32	0.24		0.99	0.28		0.74
OTSEGO	21,289	0.00			0.22													0.32
<b>WILLMAR</b>	<b>21,076</b>	<b>1.15</b>	<b>1.82</b>	<b>0.74</b>	<b>3.70</b>	<b>1.49</b>	<b>1.78</b>	<b>1.83</b>	<b>0.97</b>	<b>0.49</b>	<b>1.81</b>	<b>1.29</b>	<b>0.28</b>	<b>3.44</b>	<b>1.33</b>	<b>2.81</b>	<b>0.77</b>	<b>1.59</b>
NORTHFIELD	20,547	0.45	0.40			0.86			0.13			5.20		0.98				0.60
SARTELL	19,522																	1.12
ST MICHAEL	19,029																	0.69
ALBERT LEA	18,301	2.30	0.90	0.31	1.36	1.20	1.07	3.06	0.61	0.90	1.60	1.35	0.15	1.02	1.12	0.80	0.31	1.09
RED WING	16,588	4.80	1.05	0.07	2.62	1.27	0.63	0.90	0.30	0.77	2.31	0.82	0.52	2.07	1.31	1.43	0.58	1.52
BUFFALO	16,378	1.52	0.12	0.42		1.26	1.23		0.25	0.27		13.66	0.69		1.27	1.17		1.35
HIBBING	16,064	0.65	0.32		1.78	1.21		2.22			1.64							0.88
BEMIDJI	15,147	5.07	2.52	2.11	5.56	2.44	3.17	2.42	4.47	2.88	4.54	3.33	0.71	3.78	2.91	2.59	0.75	2.95
HUTCHINSON	14,703	0.53	1.94	1.59	3.79	1.37	1.56	1.71	1.32	0.96	2.82	1.61	0.64		1.21	0.64		1.53
ALEXANDRIA	14,690	3.17	3.25	2.73	5.39	2.34	2.81	3.29	1.24	2.39	5.64	1.16	0.98	2.04	2.24	3.31	1.95	2.87
BRAINERD	14,679	2.17	0.38	0.89	1.18	1.24	2.48	1.10	0.44	0.56		2.41	0.21		1.51	0.75		1.01
MONTICELLO	14,619	2.70	0.79	0.68	2.95	1.42	1.09	1.95	1.83	0.06	4.86	2.45	0.76	0.62	1.94	1.40	0.58	1.93
NORTH MANKATO	14,461																	0.53
Unadjusted Average*		1.51	1.00	0.77	2.24	1.41	1.29	1.72	0.73	0.62	2.48	2.19	0.49	1.48	1.32	1.32	0.53	1.13

\* Raw averages; not adjusted for special circumstances. For example, in cities with a college student population that is large relative to overall population, these pull factors may understate the relative strength of the retail sector. While college students are counted as part of the city population, in general, they spend less than other city residents in many retail categories. Most pull factor outliers were eliminated when calculating typical pull factors used in the expected sales formula.

# Comparison of Pull Factors by Merchandise Category

## 2021 Index of "Pulling Power"

Cities Outside the Seven-County Metro Area with Populations Between

12,600 and 29,500 (Range: Populations of Willmar +/- ~ 40%)

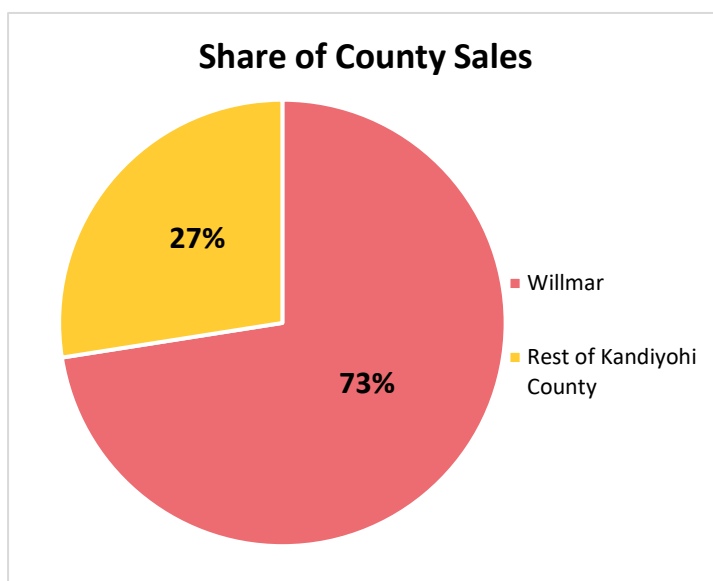
RANKINGS (26 CITIES)

CITY	Population	Vehicles & Parts	Furniture	Electronics	Building Materials	Food	Health & Personal	Gas & Convenience	Clothing	Leisure Goods	General Merchandise	Misc. Store	Amusement	Lodging	Eating & Drinking	Repair Services	Personal Services	Total Taxable Retail & Services*
OWATONNA	#1	#12	#15		#13	#8		#10	#6		#8	#13		#8	#12		#7	#12
AUSTIN	#2	#16	#10	#7	#14	#15	#11	#11	#7	#11	#13	#15	#11	#9	#15	#10	#10	#18
ELK RIVER	#3	#7	#5	#13	#5	#14	#8	#13	#12	#6	#12	#9	#3	#9	#9	#4		#8
WINONA	#4	#14		#9	#10		#13	#6		#10	#7		#9	#5		#13	#8	#13
FARIBAULT	#5	#11	#13	#10	#15	#7	#12	#15	#9	#13		#3	#12		#13	#14		#16
OTSEGO	#6	#18			#16													#21
<b>WILLMAR</b>	<b>#7</b>	<b>#10</b>	<b>#4</b>	<b>#6</b>	<b>#4</b>	<b>#3</b>	<b>#4</b>	<b>#7</b>	<b>#5</b>	<b>#9</b>	<b>#9</b>	<b>#11</b>	<b>#10</b>	<b>#2</b>	<b>#5</b>	<b>#2</b>	<b>#2</b>	<b>#4</b>
NORTHFIELD	#8	#17	#11			#16			#15			#2			#14			#19
SARTELL	#9																	#10
ST MICHAEL	#10																	#17
ALBERT LEA	#11	#5	#8	#12	#11	#13	#10	#2	#10	#4	#11	#10	#14	#7	#11	#9	#9	#11
RED WING	#12	#2	#6	#14	#7	#9	#14	#14	#13	#5	#6	#14	#7	#3	#7	#5	#5	#6
BUFFALO	#13	#8	#16	#11		#10	#7		#14	#12		#1	#5		#8	#8		#7
HIBBING	#14	#13	#14		#9	#12		#4			#10							#15
BEMIDJI	#15	#1	#2	#2	#1	#1	#1	#3	#1	#1	#3	#4	#4	#1	#1	#3	#3	#1
HUTCHINSON	#16	#15	#3	#3	#3	#6	#5	#9	#3	#3	#4	#8	#6		#10	#12		#5
ALEXANDRIA	#17	#3	#1	#1	#2	#2	#2	#1	#4	#2	#1	#12	#1	#4	#2	#1	#1	#2
BRAINERD	#18	#6	#12	#4	#12	#11	#3	#12	#11	#8		#6	#13		#4	#11		#14
MONTICELLO	#19	#4	#9	#8	#6	#4	#9	#5	#2	#14	#2	#5	#2	#10	#3	#6	#4	#3
NORTH MANKATO	#20																	#20

## Willmar and Kandiyohi County, Comparison, 2021

It is important to review retail performance for the entire county and not just the city in isolation. For example, it is common for county seat towns to have above-average retail performance while the county overall has a leakage of sales. This is usually because the county seat city doesn't have the critical mass of retail to attract purchases by everyone in the county. By analyzing county data, city business officials can develop strategies to recapture some sales being lost to other cities. For counties that have a local option sales tax, the analysis of county sales is extremely important since lost sales are lost tax dollars. A thorough analysis of county sales can help county officials develop more meaningful economic development plans aimed at recapturing lost sales.

The table below shows retail sales and number of firms by merchandise category for Willmar and Kandiyohi County in 2021. Willmar accounted for 73 percent of the county's sales and just under 47 percent of the county's firms.



Merchandise Category	Willmar		Kandiyohi County		City's Share of County Total	
	Taxable Sales (\$millions)	Number of Firms	Taxable Sales (\$millions)	Number of Firms	Sales	Firms
Vehicles & Parts	\$15.58	13	\$39.34	42	39.6%	31.0%
Furniture	\$12.36	6	\$14.33	15	86.3%	40.0%
Electronics	\$5.17	9	\$5.34	10	96.9%	90.0%
Building Materials	\$107.72	12	\$113.76	21	94.7%	57.1%
Food	\$22.97	17	\$27.77	26	82.7%	65.4%
Health & Personal	\$4.90	12	\$4.95	19	99.0%	63.2%
Gas & Convenience	\$10.55	11	\$17.32	26	60.9%	42.3%
Clothing	\$3.54	18	\$3.74	27	94.6%	66.7%
Leisure Goods	\$2.66	6	\$9.10	16	29.2%	37.5%
General Merchandise	\$49.28	6	\$68.99	9	71.4%	66.7%
Misc. Store	\$9.80	27	\$10.50	62	93.3%	43.5%
Amusement	\$2.07	11	\$4.48	22	46.2%	50.0%
Lodging	\$21.38	14	\$24.77	30	86.3%	46.7%
Eating & Drinking	\$47.45	54	\$68.80	84	69.0%	64.3%
Repair Services	\$18.29	32	\$31.44	96	58.2%	33.3%
Personal Services	\$2.52	38	\$4.32	87	58.3%	43.7%
<b>Total Taxable Retail &amp; Services*</b>	<b>\$362.18</b>	<b>449</b>	<b>\$499.42</b>	<b>965</b>	<b>72.5%</b>	<b>46.5%</b>

# Kandiyohi County Retail Trade Overview

## Total Taxable and Gross Retail Sales

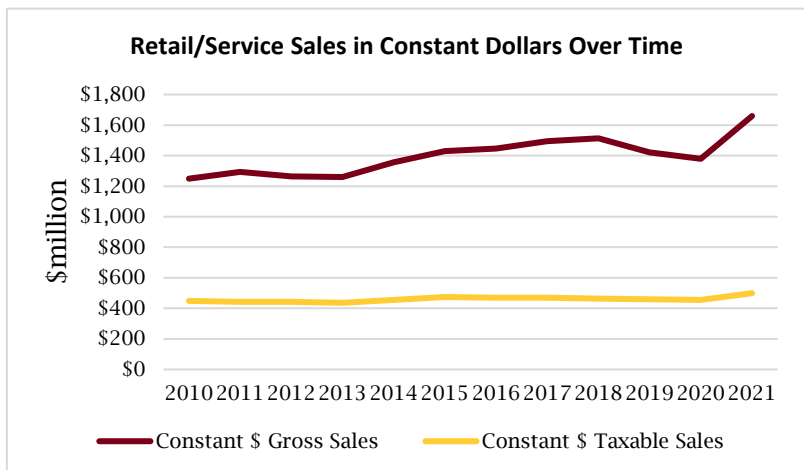
The table below presents gross and taxable retail and services sales for Kandiyohi County from 2010 through 2021. Without inflation adjustments, taxable sales in Kandiyohi County increased 20.5 percent from 2015 to 2021, while the number of firms fell 3.1 percent. Statewide, taxable sales increased 26.2 percent over the same time period and the number of firms fell 2.3 percent. The per capita sales and pull factor data in this table are based on taxable sales, the more verified sales measure.

Year	Estimated Population	Current Dollars		Constant 2021 Dollars		Number of Firms	Per Capita Sales	Pull Factor
		Gross Sales* (\$millions)	Taxable Sales (\$millions)	Gross Sales* (\$millions)	Taxable Sales (\$millions)			
2010	42,270	\$1,007.54	\$361.79	\$1,249.18	\$448.56	1041	\$8,559.03	1.11
2011	42,118	\$1,077.51	\$368.84	\$1,293.75	\$442.86	1014	\$8,757.35	1.10
2012	42,315	\$1,074.07	\$376.48	\$1,263.02	\$442.71	1010	\$8,897.09	1.08
2013	42,351	\$1,104.60	\$382.50	\$1,260.45	\$436.47	1015	\$9,031.73	1.05
2014	42,258	\$1,188.15	\$398.61	\$1,355.26	\$454.67	1024	\$9,432.74	1.08
2015	42,510	\$1,247.74	\$414.31	\$1,429.14	\$474.54	996	\$9,746.10	1.08
2016	42,481	\$1,274.38	\$414.84	\$1,445.52	\$470.55	1006	\$9,765.25	1.07
2017	42,768	\$1,345.83	\$423.14	\$1,494.79	\$469.98	1012	\$9,893.96	1.07
2018	42,924	\$1,396.75	\$428.75	\$1,512.78	\$464.36	1023	\$9,988.53	1.05
2019	43,193	\$1,334.53	\$431.83	\$1,421.75	\$460.05	994	\$9,997.63	1.04
2020	43,732	\$1,311.06	\$432.49	\$1,379.99	\$455.23	977	\$9,889.57	1.06
2021	43,809	\$1,659.19	\$499.42	\$1,659.19	\$499.42	965	\$11,399.86	1.05
<b>7 yr Change '15 to '21</b>	3.1%	33.0%	20.5%	16.1%	5.2%	-3.1%	17.0%	-3.0%
<b>3 yr Change '19 to '21</b>	1.4%	24.3%	15.7%	16.7%	8.6%	-2.9%	14.0%	1.2%

\*Gross sales figures are self-reported by firms and not audited by the Department of Revenue for accuracy

## Retail Sales in Constant Dollars

The table also presents sales data in constant 2021 dollars. These figures have been adjusted for inflation to reflect their value in 2021. For example, in 2010, taxable sales in Kandiyohi County totaled \$361.79 million, an amount worth \$448.56 million in 2021 dollars. In constant dollars, gross sales grew 16.1 percent between 2015 and 2021. Constant dollar taxable sales increased 5.2 percent over the same time period.



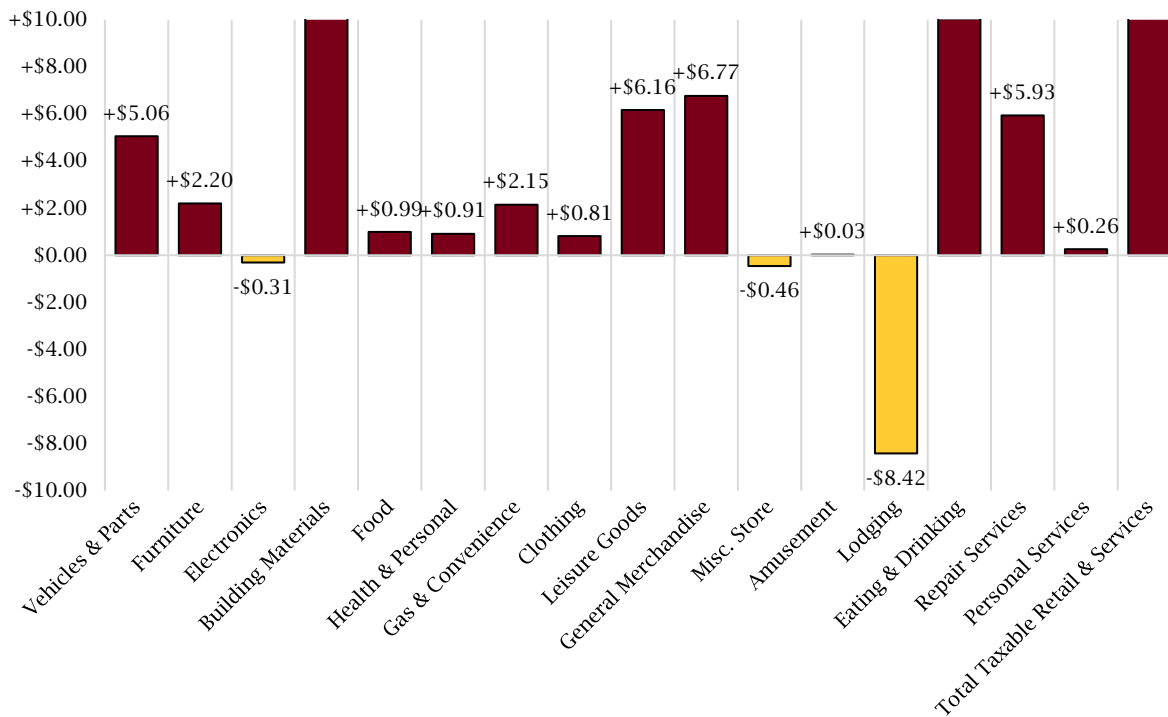


## Kandiyohi County Selected Components of Change\*, 2019 to 2021

Merchandise Category	Taxable Sales 2019	Taxable Sales 2021	Dollar Change	Percent Change
Vehicles & Parts	\$34,281,392	\$39,342,327	+\$5,060,935	+14.76%
Furniture	\$12,131,108	\$14,327,003	+\$2,195,895	+18.10%
Electronics	\$5,646,953	\$5,338,260	-\$308,693	-5.47%
Building Materials	\$82,407,860	\$113,756,422	+\$31,348,562	+38.04%
Food	\$26,780,047	\$27,770,335	+\$990,288	+3.70%
Health & Personal	\$4,035,800	\$4,949,046	+\$913,246	+22.63%
Gas & Convenience	\$15,171,216	\$17,318,200	+\$2,146,984	+14.15%
Clothing	\$2,931,540	\$3,743,831	+\$812,291	+27.71%
Leisure Goods	\$2,934,830	\$9,099,179	+\$6,164,349	+210.04%
General Merchandise	\$62,215,368	\$68,986,504	+\$6,771,136	+10.88%
Misc. Store	\$10,958,928	\$10,499,481	-\$459,447	-4.19%
Amusement	\$4,451,285	\$4,483,294	+\$32,009	+0.72%
Lodging	\$33,187,539	\$24,769,462	-\$8,418,077	-25.37%
Eating & Drinking	\$58,747,596	\$68,800,356	+\$10,052,760	+17.11%
Repair Services	\$25,504,528	\$31,436,998	+\$5,932,470	+23.26%
Personal Services	\$4,062,561	\$4,324,999	+\$262,438	+6.46%
<b>Total Taxable Retail &amp; Services</b>	<b>\$431,827,765</b>	<b>\$499,416,621</b>	<b>+\$67,588,856</b>	<b>+15.65%</b>

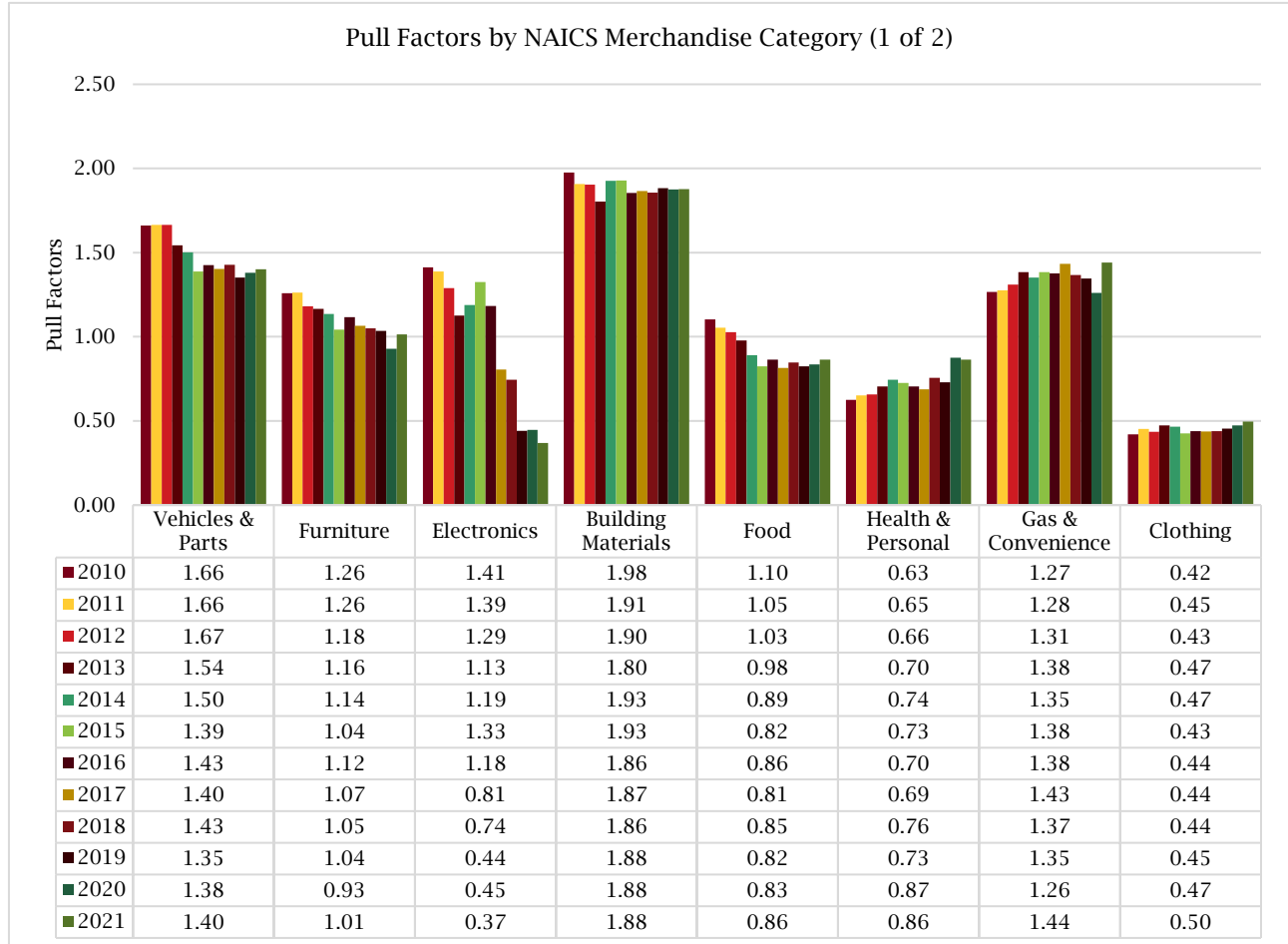
\*Figures not adjusted for inflation

## Taxable Sales Changes by Merchandise Category, 2019 to 2021



## Recent Trends By Merchandise Category: Kandiyohi County

The following tables and charts depict pull factors in Kandiyohi County from 2010 to 2021 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



### NAICS Category Descriptions

**Motor Vehicles & Parts:** Establishments that sell new & used autos, boats, motorcycles, golf carts, RV's, campers, snowmobiles, trailers, tires, and parts.

**Furniture:** Stores that sell furniture, beds, carpeting, window coverings, lamps, china, kitchenware, & woodburning stoves.

**Electronics:** Establishments primarily engaged in retailing household-type appliances, sewing machines, cameras, computers, and other electronic goods.

**Building Materials:** Establishments that sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden centers.

**Food:** Grocery stores, deli's, bakery, & butcher shops that sell food to be prepared at home. Liquor stores.

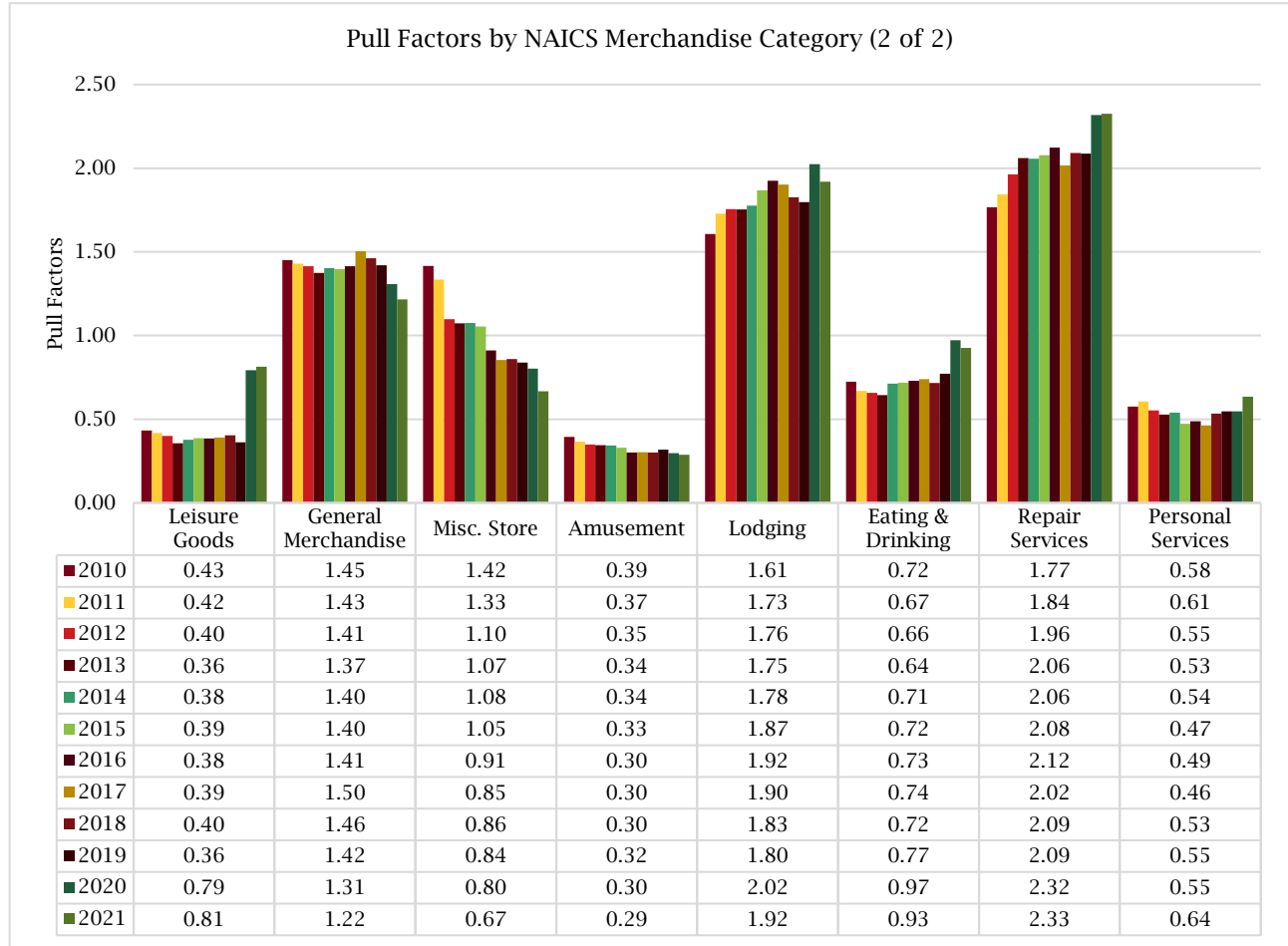
**Health & Personal:** Pharmacies, food supplements, vision supplies, cosmetics, & hearing aid stores.

**Gas Stations/Convenience Store:** Retailers that sell fuel along with convenience store items.

**Leisure Goods:** Sporting goods, books, music, hobby stores, fabric shops, and toy stores.

## Recent Trends By Merchandise Category: Kandiyohi County

The following tables and charts depict pull factors in Kandiyohi County from 2010 to 2021 by merchandise category. Pull factors are a measure of trade area size that provide a useful measure of change over time because they account for changes in population and state-wide industry trends.



### NAICS Category Descriptions

**General Merchandise:** Establishments that sell a mixed line of goods. Examples are department stores, supercenters, and dollar stores.

**Miscellaneous Store Retailers:** Stores not covered in other categories such as florists, office supplies, pets, antiques, tobacco, art, used merchandise, and trophies. (see Suppressed Data in Cautions section)

**Non-Store Retail:** Retailers that do not use stores. This includes mail order, internet selling, bazaars, vending machines, fuel oil dealers, firewood dealers, door-to-door sales, and produce stands.

**Amusement:** Establishments such as golf courses, bowling lanes, marinas, amusement parks, water parks, shooting ranges, pool halls, horseback riding, ballrooms, health club facilities, ski hills, and casinos.

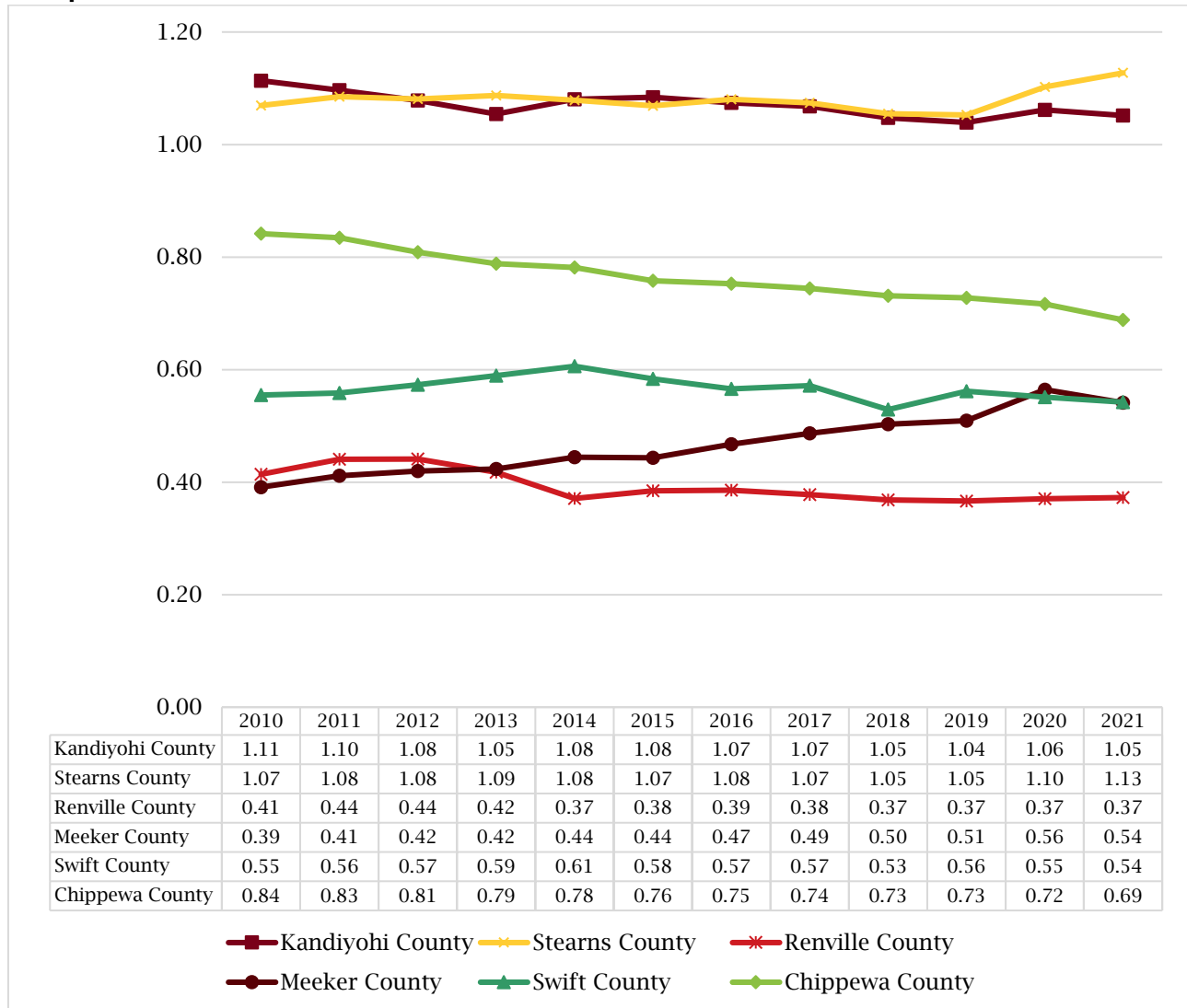
**Lodging:** Seasonal resorts, hotels, boarding houses, bed & breakfast, campgrounds, and RV parks.

**Eating & Drinking:** Restaurants, donut shops, coffee house, cafeteria, caterers, taverns, and nightclubs.

**Repair:** Businesses that return items to working order. Examples: cars, lawnmowers, small engines, knives, shoes, computers, furniture, and appliances.

## Comparison with Neighboring Counties

### Comparison of Pull Factors Over Time



### Comparison with Neighboring Counties, 2021

Town	Population	Gross Sales (\$millions)	Taxable Sales (\$millions)	Number of Firms	Per Capita Taxable Sales	Pull Factor (Taxable Sales)
Kandiyohi County	43,809	1,659.19	499.42	965	11,400	1.05
Stearns County	159,301	5,452.74	1,946.63	3,416	12,220	1.13
Renville County	14,608	191.58	59.03	277	4,041	0.37
Meeker County	23,499	390.35	137.88	423	5,867	0.54
Swift County	9,972	197.00	58.59	204	5,876	0.54
Chippewa County	12,498	270.85	93.26	280	7,462	0.69

## Trade Area Analysis of Retail Sales: Kandiyohi County

The following table provides information on retail sales by merchandise category. Potential sales is a standard to which actual performance is compared. When calculating potential sales, population and income characteristics are taken into account. Potential sales can be used as a guideline or "par value" when analyzing retail strength.

Deviations from these norms can be analyzed to first judge whether they should be considered relevant. If the differences appear to be significant (whether in dollar amounts or relatively with percentages, additional consideration is merited. Categories with undesirable performance may be further examined for potential corrective action. It is also important to determine whether or not the situation is relatively uncontrollable due to external or extenuating circumstances. In cases of favorable differences from expectations, positive aspects can be identified and built upon.

### Trade Area Analysis by Merchandise Category, 2021

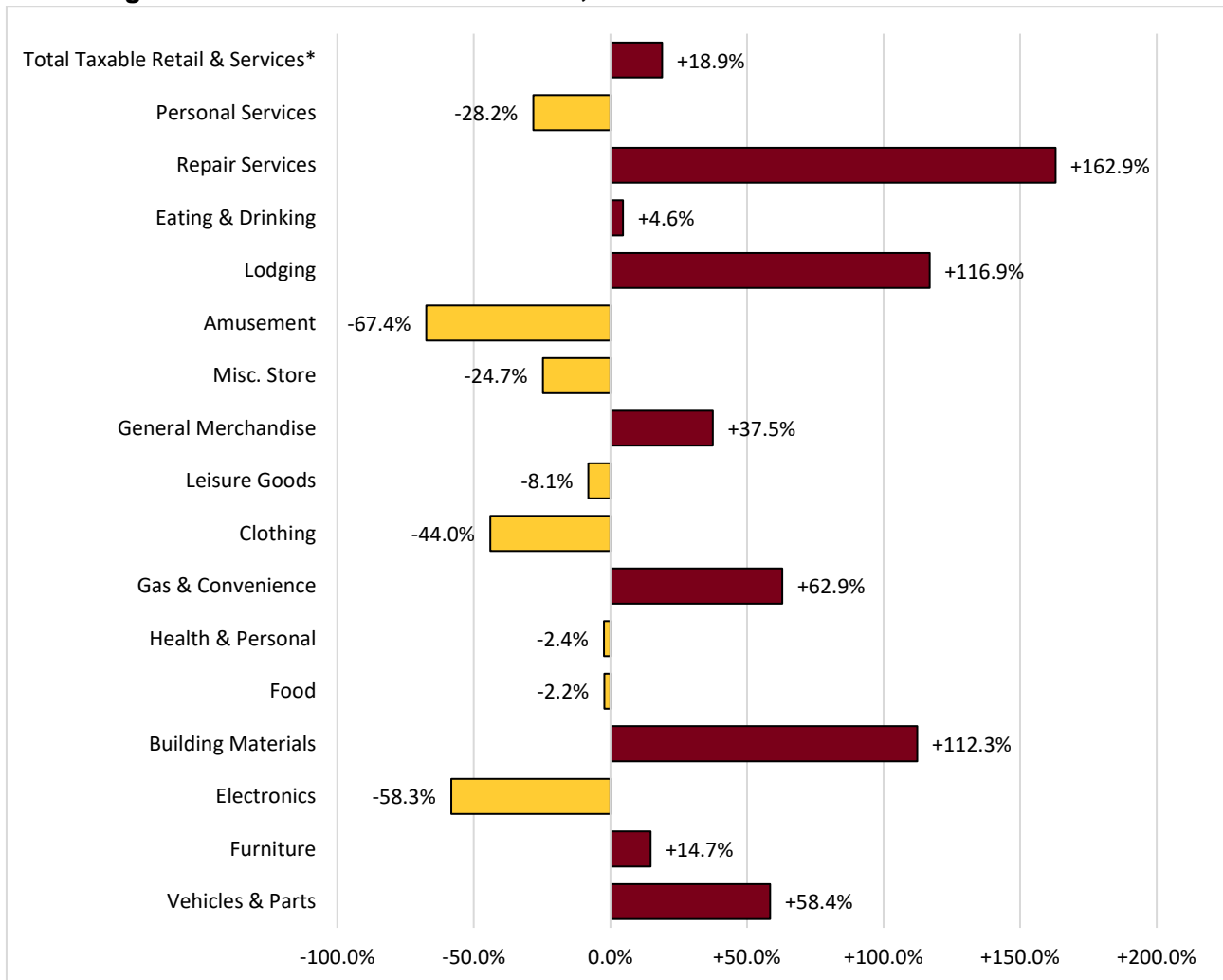
Merchandise Category	Expected Sales (\$millions)	Actual Sales (\$millions)	Variance Between Actual & Expected		Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
			In Dollars (millions)	As % of Expected			
Vehicles & Parts	\$24.83	\$39.34	+\$14.51	+58.4%	25,597	42	7.9%
Furniture	\$12.49	\$14.33	+\$1.83	+14.7%	6,425	15	2.9%
Electronics	\$12.79	\$5.34	-\$7.45	-58.3%	-25,525	10	1.1%
Building Materials	\$53.59	\$113.76	+\$60.17	+112.3%	49,187	21	22.8%
Food	\$28.41	\$27.77	-\$0.64	-2.2%	-980	26	5.6%
Health & Personal	\$5.07	\$4.95	-\$0.12	-2.4%	-1,041	19	1.0%
Gas & Convenience	\$10.63	\$17.32	+\$6.69	+62.9%	27,568	26	3.5%
Clothing	\$6.68	\$3.74	-\$2.94	-44.0%	-19,267	27	0.7%
Leisure Goods	\$9.90	\$9.10	-\$0.80	-8.1%	-3,543	16	1.8%
General Merchandise	\$50.17	\$68.99	+\$18.82	+37.5%	16,435	9	13.8%
Misc. Store	\$13.95	\$10.50	-\$3.45	-24.7%	-10,830	62	2.1%
Amusement	\$13.76	\$4.48	-\$9.28	-67.4%	-29,540	22	0.9%
Lodging	\$11.42	\$24.77	+\$13.35	+116.9%	51,191	30	5.0%
Eating & Drinking	\$65.76	\$68.80	+\$3.04	+4.6%	2,026	84	13.8%
Repair Services	\$11.96	\$31.44	+\$19.48	+162.9%	71,377	96	6.3%
Personal Services	\$6.03	\$4.32	-\$1.70	-28.2%	-12,367	87	0.9%
<b>Total Taxable Retail &amp; Services*</b>	<b>\$420.15</b>	<b>\$499.42</b>	<b>+\$79.27</b>	<b>+18.9%</b>	<b>8,266</b>	<b>965</b>	<b>100.0%</b>

## Retail Trade Performance in Percentages: Kandiyohi County

The chart below depicts the percentage amount of Kandiyohi County's actual sales were above or below potential sales in 2021 by merchandise group. Of the 16 merchandise categories with reported data, sales in 8 of the categories were above what would be potential sales, based on the county's population and income characteristics, as well as statewide spending patterns. The strongest merchandise group by this standard is the Repair Services category, which has a 162.9 percent surplus. Overall, Kandiyohi County had a retail sales surplus of 18.9 percent in 2021.

It is important to note that variations in a county's relative retail performance may occur for a variety of reasons, some of which are beyond the control of local policy. Proximity to larger population centers and transportation patterns, as well as the individual retailer's management and marketing, can cause the retail sales of a particular county to deviate substantially from potential sales. It is important that decision-makers consider these influences when constructing policies, plans, or projects.

### Percentage Above or Below Potential Sales, 2021

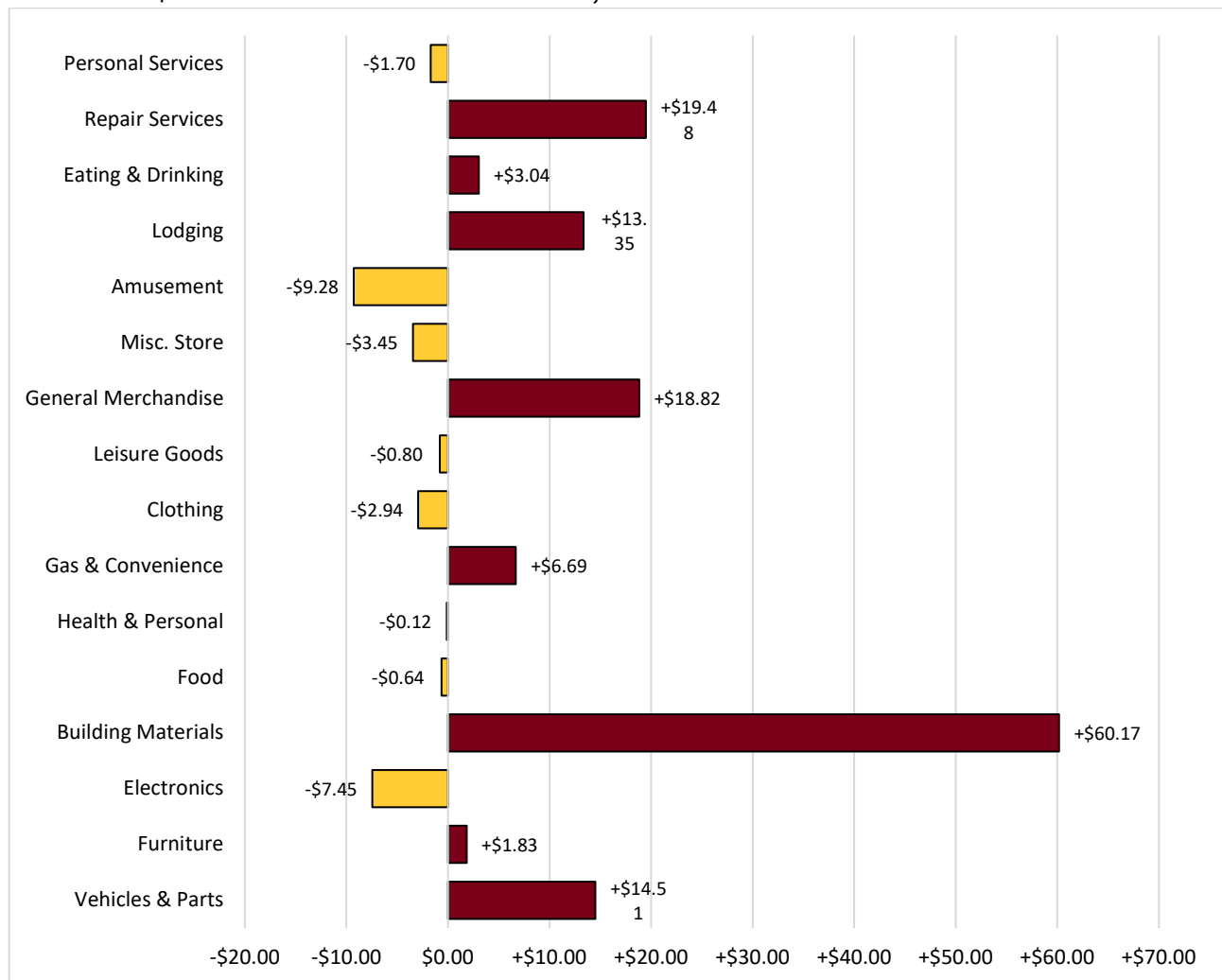


## Retail Trade Performance in Dollars: Kandiyohi County

The chart below depicts the dollar amount of Kandiyohi County's actual sales that were above or below potential sales in 2021 by merchandise group. Of the 16 merchandise categories with reported data, sales in 8 of the categories were above calculated potential. The strongest merchandise group by this standard is the Building Materials category, which has a \$60.17 million surplus. Overall, Kandiyohi County had a retail surplus of \$79.3 million in 2021.

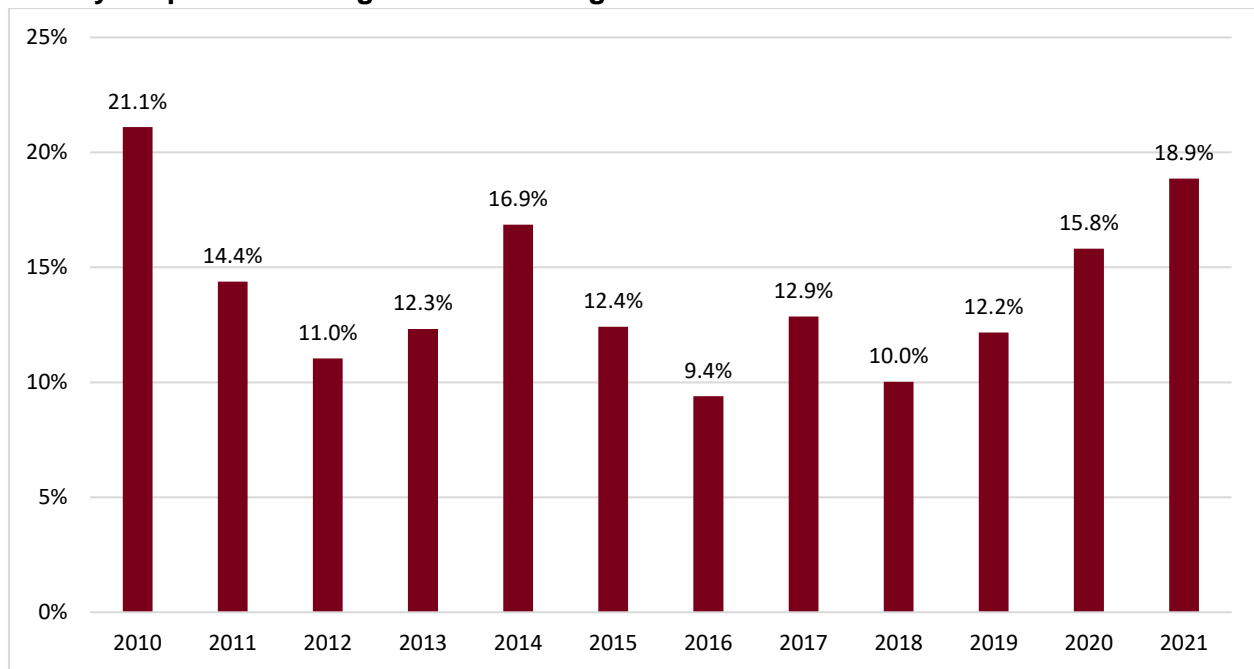
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### Millions of \$ Above or Below Potential Sales, 2021



## Retail Trade Surplus or Leakage: Kandiyohi County

### County Surplus or Leakage as a Percentage of Potential



Fiscal Year	Population Estimate	Index of Income	Potential Sales (in millions)	Actual Sales (in millions)	Surplus or Leakage (in millions)	Surplus or Leakage as % of Potential	Trade Area Population Gain or Loss
2010	42,270	0.92	\$298.8	\$361.8	+\$63.0	21.1%	8,919
2011	42,118	0.96	\$322.5	\$368.8	+\$46.4	14.4%	6,059
2012	42,315	0.97	\$339.0	\$376.5	+\$37.5	11.0%	4,674
2013	42,351	0.94	\$340.5	\$382.5	+\$42.0	12.3%	5,219
2014	42,258	0.92	\$341.1	\$398.6	+\$57.5	16.9%	7,122
2015	42,510	0.96	\$368.6	\$414.3	+\$45.8	12.4%	5,277
2016	42,481	0.98	\$379.2	\$414.8	+\$35.6	9.4%	3,994
2017	42,768	0.95	\$374.9	\$423.1	+\$48.2	12.9%	5,499
2018	42,924	0.95	\$389.7	\$428.7	+\$39.1	10.0%	4,305
2019	43,193	0.93	\$385.0	\$431.8	+\$46.9	12.2%	5,257
2020	43,732	0.92	\$373.4	\$432.5	+\$59.1	15.8%	6,916
2021	43,809	0.88	\$420.1	\$499.4	+\$79.3	18.9%	8,266



# Minnesota Per Capita Retail Sales and Threshold Levels

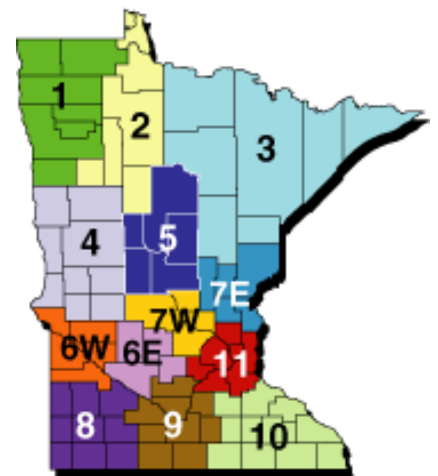
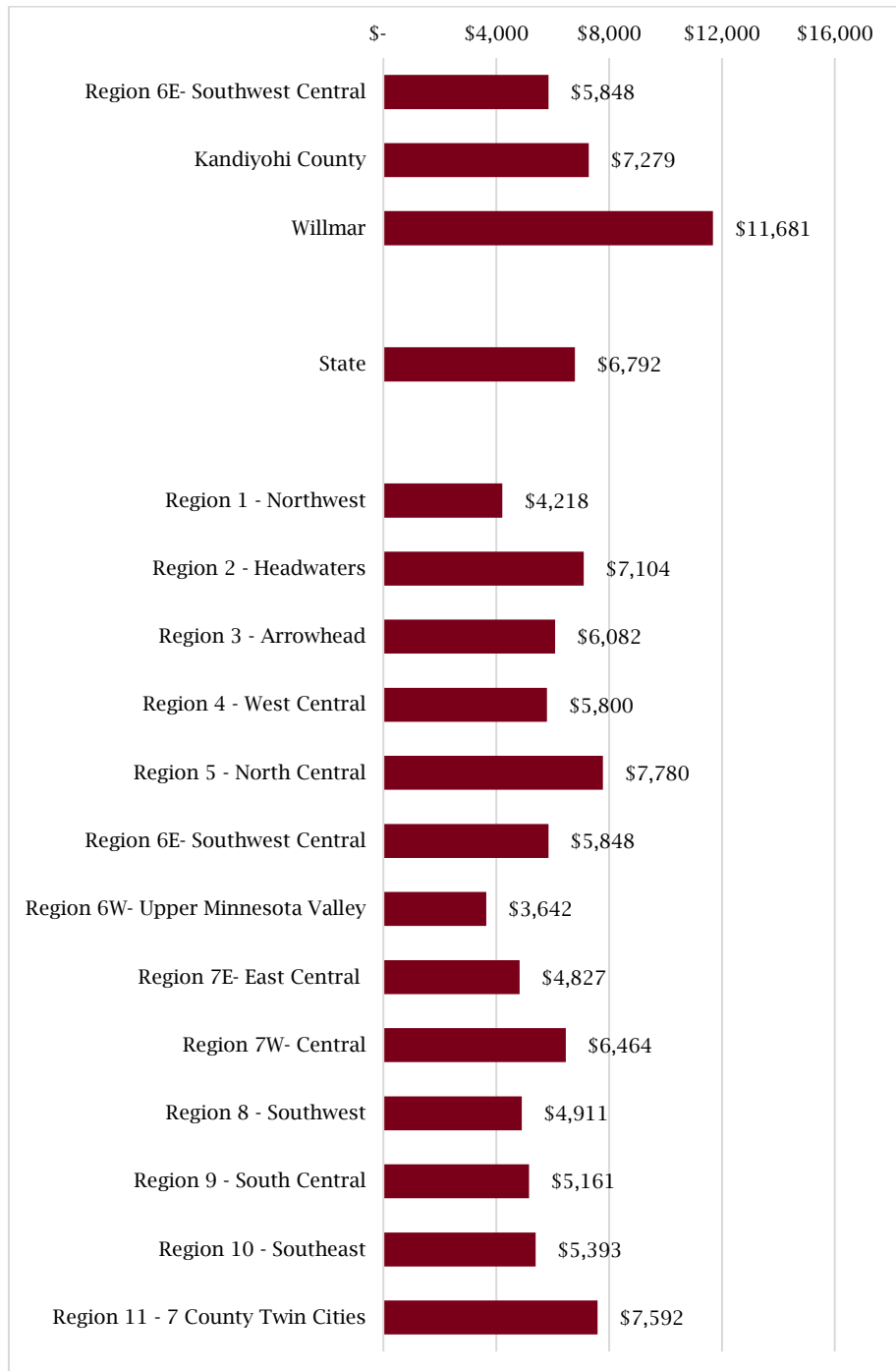
## for Selected Goods and Services, 2021

Threshold level refers to the number of people per business, which can be used as a general guide for determining the critical mass necessary to support a business. These are broad averages for the state as a whole and do not reflect differences in income, tourism, agglomeration, establishment, etc. Further, business counts are based on the number of sales tax returns filed and are converted to full-time equivalents. Multiplying people per business by sales per capita yields average sales per firm. In addition to state averages, averages for the non-Metropolitan regions were calculated by excluding the seven-county Minneapolis-St. Paul Metropolitan region.

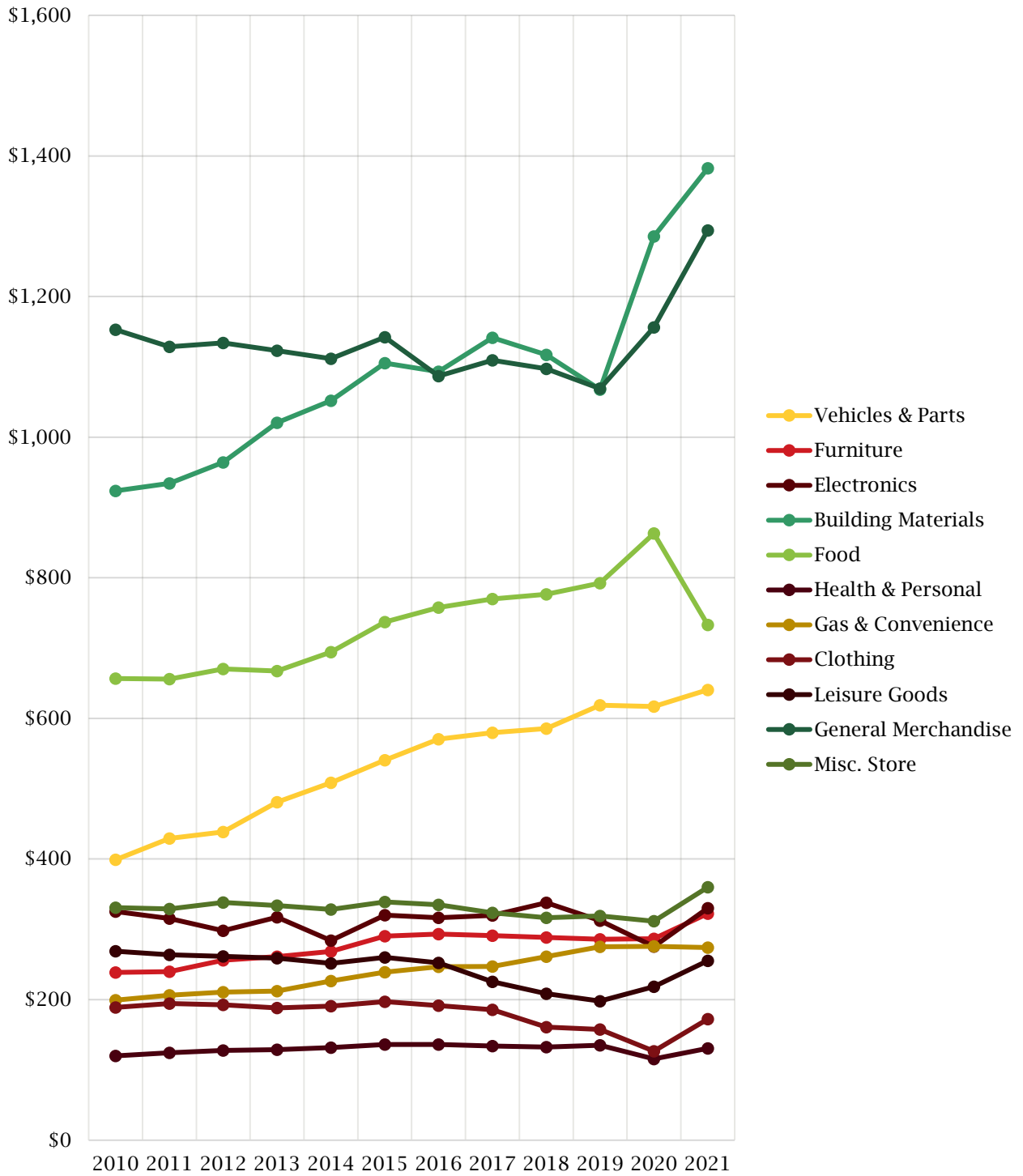
<i>Business Activity / Store Type</i>		<i>People Per Business</i>		<i>Sales Per Capita</i>		
		State	Non-Metro	State	Non-Metro	Willmar
<b>RETAIL TRADE</b>						
441	Vehicles, Parts	2,189	1,566	\$640.67	\$696.32	\$739.04
442	Furniture Stores	4,134	3,920	\$322.35	\$211.28	\$586.35
443	Electronics	4,511	5,021	\$329.98	\$157.72	\$245.36
444	Building Materials	3,174	2,124	\$1,382.54	\$1,580.37	\$5,110.99
445	Food and Beverage Stores	1,756	1,523	\$732.83	\$674.94	\$1,089.90
446	Health, Personal Stores	3,131	3,731	\$130.79	\$86.75	\$232.50
447	Gas/Convenience Stores	2,612	1,970	\$274.23	\$386.84	\$500.48
448	Clothing & Accessory Stores	1,940	2,276	\$172.41	\$95.74	\$168.07
451	Leisure Goods	2,205	1,860	\$255.41	\$208.50	\$126.17
452	General Merchandise	5,618	4,303	\$1,294.25	\$1,255.07	\$2,337.99
453	Miscellaneous Merchandise	633	516	\$359.83	\$329.73	\$464.83
454	Non-store Retail	1,016	924	\$896.42	\$111.12	\$79.47
	Retail Total			\$6,791.69	\$5,794.39	\$11,681.15
<b>INFORMATION</b>						
511	Publishing Industry	13,110	23,447	\$4.27	\$2.72	
512	Movie & Recording Industry	12,991	32,350	\$18.46	\$8.77	
515	Broadcasting	143,551	638,922	\$34.97	\$0.00	
516	Info-Internet Publ/Brcst			\$0.00	\$0.00	
517	Telecommunications	10,633	12,715	\$153.56	\$119.96	
518	Internet Service	22,696	102,227	\$12.91	\$0.60	
519	Other Information Services	8,519	10,223	\$38.33	\$29.20	
<b>FINANCE AND INSURANCE</b>						
522	Credit Intermediation	11,742	9,792	\$21.90	\$8.13	
523	Securities, Commodities	20,362	79,865	\$1.77	\$0.89	
524	Insurance Carriers	14,799	31,552	\$0.51	\$0.27	
525	Funds, Trusts	358,877		\$0.08	\$0.00	
<b>REAL ESTATE AND RENTAL AND LEASING</b>						
531	Real Estate	2,192	2,690	\$36.67	\$35.94	
532	Rental, Leasing Services	3,957	3,693	\$173.74	\$78.41	
533	Lessors Nonfinancial Assets	638,004		\$0.05	\$0.00	
<b>PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES</b>						
541	Prof, Scientific, Technical Services	554	795	\$194.44	\$104.80	
551	Mgmt Of Companies	35,888	91,275	\$13.79	\$13.10	
<b>ADMINISTRATIVE &amp; SUPPORT; WASTE MGMT &amp; REMEDIATION SVCS</b>						
561	Admin, Support Services	579	568	\$331.31	\$203.47	
562	Waste Mgmt, Remediation	16,266	13,311	\$13.24	\$6.20	
<b>EDUCATIONAL SVCS; HEALTH &amp; SOCIAL ASSISTANCE</b>						
611	Educational Services	4,357	4,777	\$13.96	\$11.44	
621	Health - Ambulatory Care	1,029	1,239	\$25.91	\$26.45	
622	Health - Hospitals	114,841	150,335	\$8.71	\$4.50	
623	Health - Nursing, Residential Care	11,718	11,112	\$1.94	\$1.70	
624	Health - Social Assistance	13,020	19,216	\$2.86	\$3.45	
<b>ARTS, ENTERTAINMENT &amp; RECREATION</b>						
711	Performing Art, Spectator Sports	1,973	2,300	\$52.85	\$15.49	
712	Museums, Historical Sites	57,420	60,850	\$4.22	\$0.93	
713	Amusement, Gambling Recr	2,504	2,066	\$355.11	\$153.35	
<b>ACCOMMODATION &amp; FOOD SERVICES</b>						
721	Accommodation	2,505	1,391	\$294.69	\$373.43	
722	Food Services, Drinking Places	490	479	\$1,696.51	\$1,352.30	
<b>OTHER SERVICES</b>						
811	Repair, Maintenance	744	525	\$308.47	\$343.51	
812	Personal, Laundry Service	652	595	\$155.47	\$62.66	
813	Religious, Civic, Professional Orgs	3,062	2,450	\$27.80	\$32.46	
814	Private Households	127,601		\$0.22	\$0.00	
921	Exec., Legisla., Other Govt	8,930	5,142	\$48.74	\$63.06	
	<b>TOTAL RETAIL AND SERVICES</b>			\$10,839.16	\$8,851.56	

## Compare the Community to the Region: Willmar & Kandiyohi County

Earlier in this report, we compared communities using a combination of retail sector and service sectors. The information on this page only includes businesses in the retail trade and does not include the service sector. The retail trade sector includes the following: building materials, motor vehicles and parts, clothing, food stores, electronics, convenience stores, leisure goods, health store, furniture, general merchandise, non-store retail, and miscellaneous stores.



### Minnesota Taxable Sales Per Capita, 2010 to 2021



## Appendix: Data Sources and Definitions

The University of Minnesota Extension has developed this retail trade analysis program to assist in the economic development of Minnesota towns and cities. These reports are available for all Minnesota counties, for most cities above 5,000 populations and for a few cities smaller than 5,000 population. The retail sector of each jurisdiction can be evaluated by comparing its trends to those of other similar jurisdictions. Business people and economic development officials can use measures such as pull factors and leakages to determine the need and feasibility of new retail businesses.

### Data Sources

Most of the data in the analysis are based on annual reports of Minnesota retail and use tax, published by the Minnesota Department of Revenue. The Department of Revenue published an annual report of sales and use tax by jurisdiction until 1996, at which time the reports were released biannually due to budget constraints. This analysis uses the available reports from 1990-1996, 1998, 2000, and 2003 through 2012. The reports interpolate data for the years in which data are not available. See <https://www.revenue.state.mn.us/sales-and-use-tax-statistics-and-annual-reports>. The income data in this report are obtained from reports by Bureau of Economic Analysis (BEA). (See [http://www.bea.gov/iTable/index\\_regional.cfm](http://www.bea.gov/iTable/index_regional.cfm)) Population data after 2009 are derived from the state demographic center. (See <http://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/index.jsp>)

Sales and use tax permit holders file returns and remit taxes on a monthly, quarterly or annual basis. Large businesses such as discount department stores whose tax is more than \$500 per month are required to file on a monthly basis, while medium-sized businesses whose sales tax collections are less than \$500 per month, are required to file on a quarterly basis and small businesses with sales tax collections less than \$100 per month would most likely file on an annual basis.

### Definition of Terms

#### Gross Sales

Gross sales include taxable sales and exempt sales for businesses holding sales and use tax permits. This is the most inclusive indicator of business activity for the reporting jurisdictions but it can be misleading when used in comparisons. At times commodity items (like gasoline) that are not taxable can have large price variations, creating huge swings in gross sales.

#### Taxable Sales

Taxable sales are the amount of sales subject to sales tax. Taxable sales exclude exempt items, items sold for resale, items sold for exempt purposes and items sold to exempt organizations. For more information on what is taxed in Minnesota, see "Minnesota Sales and Use Tax Business Guide" available on the web at <https://www.revenue.state.mn.us/guide/minnesota-sales-and-use-tax-business-guide>

#### Current and Constant Dollar Sales

Current dollar (or "nominal dollar") sales are sales as reported by the state. No adjustment has been made for price inflation. In general this measure of sales is not satisfactory for comparisons over long periods of time since it does not account for changes in population, inflation, or the state's economy. Constant dollar (or "real dollar") sales reflect changes in price inflation by adjusting current dollar sales with the Consumer Price Index (CPI). Constant dollar sales indicate the real sales level with respect to a base year. This is a more realistic method of evaluating sales over time than current dollar comparisons, but still does not take into consideration changes in population or changes in the state's economy.

#### Number of Businesses

The number of sales and use tax permit holders who filed one or more tax returns for the year are reported as the number of businesses.

## Reporting Period

The reporting periods through 2005 in this report are calendar years. For example, the sales reported for the year 2000 are for the period, January 1, 2000 to December 31, 2000. The Sales and Use Tax Statistics reports for 2006 and 2007 use a slightly different methodology than in previous years. Rather than basing the report on the year in which sales were made (as was true in earlier reports), the 2006 and 2007 reports were based on when returns were processed. Starting in 2008, the reports are again based on the calendar year when the sales occurred.

## Per Capita Sales

Per capita (or “per person”) sales are calculated by dividing current dollar sales by the population estimate. In areas where population is subject to substantial change, this is a more satisfactory measure of sales activity than sales alone. However, it still does not reflect changes in the state economy.

## Number of Businesses

The number of sales and use tax permit holders who filed one or more tax returns for the year are reported as the number of businesses.

## Pull Factor

The pull factor was developed by Dr. Ken Stone, an economist from Iowa State University Extension Service, to provide a precise measure of sales activity in a locality. It is derived by dividing the per capita current dollar sales of a city or county by the per capita sales for the state. For example, if a city's per capita sales are \$20,000 per year and the state per capita sales are \$10,000 per year, the pull factor is 2.0 ( $\$20,000 \div \$10,000$ ). The interpretation is that the city is selling to 200 percent of the city population. Worth noting that local consumption patterns or local average prices may skew pull factors. As example, a city may not have enough people willing to buy \$35 steak dinners to support restaurants that typically carry expensive selections.

Pull factors are good measures of sales activity because they reflect changes in population, inflation, and the state economy. Pull factors are available through the University of Minnesota Extension for total taxable sales for all cities with reported sales (generally, cities with a population of 5,000 or more) since 1990. The pull factors listed in this report are not adjusted for differing income levels in different communities; they are simply the ratio of local per person sales to the state average. Income levels are accounted for in the expected sales and potential sales formulas, described below.

## Typical Pull Factor

The typical pull factor is a pull factor that represents the “norm” for cities within a population group. It is an average for cities within a population group excluding some of the outliers in the group.

## Personal Income

Personal income is defined as the income received by, or on behalf of, all the residents of the county (state) from all sources. Personal income is the estimated sum of wage and salary earnings, supplements to wages and salaries (e.g., contributions to retirement funds, health plans, life insurance policies), proprietors' income, rental income, personal dividend income, personal interest income, and personal current transfer receipts to persons (e.g. receipts of Social Security, disability, worker's compensation, Medicare/Medicaid, food stamps, etc.) less contributions for government

social insurance (e.g. Social Security, Medicare).

### Index of Income

This index provides a measure of income, relative to the state, which is calculated by dividing local per capita income by state per capita income. The base is 1.00. For example, an index of income of 1.20 indicates that per capita income in the area is 20 percent above the state average.

### Expected Sales

Expected sales are a retail performance benchmark. It is an estimate of the sales level a city would achieve if it were performing on par with Minnesota cities of a similar size. In addition to population and income variables, expected sales incorporate the typical strength of comparable communities via the typical pull factor. Expected sales are the product of city population, state per capita sales, the index of income and the typical pull factor. For example, if a city has a population of 5,000, the state per capita sales are \$9,000, the typical pull factor is 1.30, and the index of income is 1.03, expected sales are approximately \$60 million per year ( $5,000 \times \$9,000 \times 1.30 \times 1.03$ ). This provides a means of comparing what is expected for a city of a certain size to what is actually happening.

### Potential Sales

Potential sales are an estimate of the amount of money that is spent on retail goods and services by residents of a county. It is the product of county population, state per capita sales and the index of income. The potential sales concept for counties is similar to the expected sales calculations for cities. However, potential sales do not utilize a measure of average pulling power (like the typical pull factor that is used in the expected sales equation). Since a county is a relatively large region within which retail business takes place, counties are compared without adjustments for trade area size.

### Variance between Actual and Expected Sales (Surplus or Leakage)

The variance between actual and expected sales is how much retail sales differ from the “norm” (i.e., the amount above or below the standard established by the expected sales formula). When actual sales exceed expected sales, we say the city has a “surplus” of retail sales. When actual sales fall short of expected sales, we say the city has a retail sales “leakage”. The set of similarly-sized cities in Minnesota is the peer group to which the comparison is being made. Discrepancies between expected and actual sales occur for a variety of reasons.

### Trade Area Population Gain or Loss

The trade area population gain or loss translates the percentage amount of surplus or leakage of retail sales into an estimate of the number of customers gained or lost in the trade area. It is calculated by multiplying the percent surplus or leakage by the population estimate for the city or county. For example, if a city with 10,000 residents had a retail sales surplus of 20%, the trade area population gain would be 2,000. Adding this number to the city's population gives an estimate of the population size of the city's trade area.

### Calculating Expected Sales Using Comparisons with Other Rural Cities

Beginning in the middle of 2013, Retail Trade Analysis reports for cities outside of the 7-county Twin Cities area contained new Rural Community Trade Area Analysis pages. The earlier paragraph of how Expected Sales are calculated explained that a typical pull factor of similar-sized cities was used in the formula. These new pages for rural communities only use similar cities that meet the

following three criteria: 1) within approximately 30% of similar population; 2) located outside of the 7-county metro area; 3) have a similar location on the trade-center hierarchy scale. Cities with a similar trade center hierarchy have a history of similar total taxable retail and service sales. This method will keep the pull factors from metro cities like Mendota Heights and Little Canada being used in calculations for rural cities like Fairmont and Grand Rapids. More information on trade center hierarchy can be found in the article Trade-Center Hierarchy in Greater Minnesota authored by Craig and Schwartau at <http://www.cura.umn.edu/publications/catalog/reporter-41-3-4-2>. This article noted there was little relative movement in any one city's hierarchy ranking with just a few exceptions where dramatic economic changes occurred.

## **Cautions**

### **Gross Sales**

Gross sales are a comprehensive measure of business activity, but readers should be aware that the numbers in this report are self-reported by holders of sales and use tax reports. Furthermore, the gross sales are not audited by the State of Minnesota. It is believed that the gross sales figures are generally reliable, but there is the possibility of distortions, especially in smaller cities where misreporting may have occurred.

### **Misclassification**

Holders of sales and use tax permits select the North American Industry Classification System (NAICS) category that best fits their business. Regardless of who makes this classification, errors are occasionally made. Also, sometimes a business will start out as one type of business, but may evolve over time to a considerably different type of business. Misclassifications can distort sales among business categories, especially in smaller cities. For example, a furniture store that is classified as a general merchandise store, will under-report the sales in the furniture store category and over-report the sales in the general merchandise category.

### **Suppressed Data**

The sales data for merchandise categories that have less than four reporting firms are not reported. This is a measure taken by most states to protect the confidentiality of sales tax permit holders. The sales for suppressed retail categories are placed into the miscellaneous category and are included in total sales. The sales for suppressed service categories are placed into the NAICS 999 category and are not included in total sales.

### **Consolidated Reporting**

Vendors doing business at more than one location in Minnesota have the option of filing a separate return for each location or filing one consolidated return for all locations. The consolidated return shows, for each business establishment, the sales made, tax due and location by city and county.

Data for the establishments of consolidated filers are combined with data for single-location filers to produce the figures in this report. Occasionally consolidated reports may not be properly deconstructed and all the sales for a company may be reported for one city. Whenever misreporting is discovered, contacts are made by the Minnesota Revenue Department to clarify the situation.

### **Changes between 2000 and 2003**

For fiscal year 2003, the Minnesota Department of Revenue implemented two major changes to improve their reporting of sales and use tax data. First, they adopted a geo-coding system, which accurately identifies the location of all business reporting sales and use tax to the state rather than

relying on the businesses' postal addresses. One effect of this change is a movement of sales between neighboring cities (and in some cases, counties) in the year 2003. Thus, in several of the suburbs of Minneapolis and St. Paul and in cities such as Hermantown, which is adjacent to Duluth, the data show large increases in retail sales between 2000 and 2003, a substantial portion of which is due to the re-coding of business location and not to actual growth in sales.

The second change implemented by the Department of Revenue in 2003 was a shift from the Standard Industrial Classification system (SIC codes) to the 2002 North American Industry Classification System (NAICS codes). This switch does affect the comparability of the data series prior to 2000 with that of 2003 (and beyond), especially for merchandise categories. Overall retail and services sales are highly comparable over time. In many cases, the merchandise categories for the data prior to 2003 are very closely related to the new categories. For example, approximately 97% of the 2003 statewide sales in the general merchandise category were accounted for by firms also classified as general merchandise under the SIC system. In other cases, the correspondence is less straightforward. For example, only 56% of 2003 statewide sales in the Food and Beverage store category were accounted for by firms classified as Food Stores under the older classification system; 41% of 2003 Food store sales were accounted for by firms previously categorized as Miscellaneous Retail.

The 2002 NAICS system does provide greater detail and introduces some new sectors, such as Retail Electronics. Over time, these changes will improve the information available for retail trade analysis.







*(EXHIBIT A)*  
**Proposal for Technology  
& Related Support Services**

Submitted to:

**Aaron Backman**

Executive Director

Kandiyohi County & City of Willmar Economic Development Commission

August 2, 2023

## What is ExecutivePulse™?

The *ExecutivePulse CRM* is a web-based database platform designed specifically for government, economic and workforce development professionals. As specialists in the field of economic development, we've built the CRM system to meet your needs—today...and tomorrow.

With thousands of customers across the United States and Canada, there is no other vendor in this industry with more experience in technology or economic development.

The standard CRM system includes functionality for business retention, investment/attraction, entrepreneurial development and general contact management. We offer a variety of affordable, customized “plug and play” modules that greatly expand core functionality of the CRM.

We offer a variety of technology delivery options to meet virtually any client need or community circumstance.

## General Benefits

- ExecutivePulse works the way that you do. In fact, no two ExecutivePulse systems are exactly the same. We customize the technology for you—your unique economy, needs and circumstances.
- The database is powerful, but very intuitive and user-friendly—even for people who generally don't understand *(or even like)* technology.
- ExecutivePulse doesn't require any specific hardware or software—it works with virtually all web browsers and Internet capable devices.
- We get continuous feedback from an active user network of roughly 9,000 government, economic and workforce development professionals in North America. This feedback provides allows us to make regular improvements and enhancements to the database.
- We offer 24/7 technical support (toll free and e-mail) for you and every member of your team. We have a large, experienced in-house technical support staff that is obsessive about service and customer satisfaction.
- ExecutivePulse operates in fully hosted “cloud” environment that is secure, safe, redundant and scalable. We meet or exceed the most stringent SAS70 standards on the web today.
- All of our clients across North America are always using our most advanced technology. Version upgrades are applied to all clients—big and small, urban and rural.

## Key Features/Functionality

### User Access

- We offer six standard levels of user access on all of our ExecutivePulse systems. Access ranges from low-level Referral Partner status to robust and universal Administrative status. Access to the database can be segmented further by geography.
- Administrative and other high-level users can designate entries and information as confidential—for themselves or select groups of users. These privacy preferences can be saved and customized for each type of transaction in the system.

### Company, Contact and User Portfolios

- Portfolios provide logical “one-click” access to current and historical intelligence on companies, users, contacts and even mailing lists.
- All portfolios “cross pollinate” with each other—dynamically and seamlessly exchanging information as necessary.

### Dynamic Data Input (Survey) Forms

- Data input forms are fully customizable; based on your unique needs, circumstances and economy.
- We incorporate “smart survey” technology to insure optimal data hygiene and integrity.
- Survey forms are dynamically generated based on variety of factors—including specific industry sectors, company needs, company location, etc.
- All forms provide a real-world balance between numeric/percentage and text/comment inputs.
- All inputs provide for corresponding administrative, user-defined and pre-defined reporting outputs.

### Taskboard Feature

- User specific or group taskboards keep everyone on the same page and make updating to lists or tasks easy.
- Taskboards can be built around system features or independent of the forms and features in the CRM.

## **Pre-Defined, User-Defined and Dashboard Reports**

- The ExecutivePulse platform provides for hundreds of pre-defined (one-click) reports and almost limitless user-defined queries that quickly turn numbers and data into knowledge and intelligence about companies, contacts or activities.
- Reports are provided in professional, graphically rich format—without the need for further manipulation.
- Reports and queries can be segmented by NAICS, geography, time and many other variables.
- Reports are easily graphed, exported into Adobe or Microsoft office products, or can be used to create customized e-mail or letter communication.
- User-defined queries can be saved, shared or even automated using our recurrence feature.

## **Automated Action Items**

The automated referral system allows you to:

- Create one or multiple action items
- Assign action items to an individual or virtual team
- Monitor the progress of completion of the action item
- Measure outcomes

## **Journal Entry System**

- Provides a full-fledged contact management system for companies, contacts and users.
- Includes a full set of communication and collaboration tools.

## **Calendar/Scheduling System**

- Easily schedule events, meetings, etc. with companies, contacts and users.
- The calendar system fully integrates with all mainstay e-mail packages.

## **File Management**

- Easily attach/add, store and retrieve most major types of documents.
- Documents can be associated with companies, contacts and users.

## **E-Mail Integration**

- Features both push and pull e-mail functionality and robust integration with all major e-mail platforms.
- Full Outlook and Exchange Service integration is also available for an additional fee.
- The system also provides “one click” calendar and contact integration and sharing.

## **Ticklers/Reminders**

- Can be “set” from virtually anywhere in the system at any time.
- Can be associated with any entity (company, contact, form) in the database.
- Notifications are sent to users via e-mail and also post to their Portfolio

## **Tagging**

- Allows users to define virtually anything in the system with specific labels
- Can be associated with any entity (company, contact, form) in the database.
- Tags can be used for communication and reporting purposes

## **Comments**

- Comments can be added easily to show a “stream of conversation” about any given entity in the database.

## **Responsive Design**

- The newest version of our CRM utilizes responsive design that is equally at home on personal computers, tablet devices or smartphones.
- Page views, menus and key features and functions automatically adjust to the user’s device and screen size. Content is always available—regardless of your hardware.

## **Mobile App**

- A seventh-generation mobile app for Apple, Android, and Kindle operating systems is available as a free download on these respective app stores.
- The mobile app provides an intuitive look-up, communication and management tool that integrates with the main CRM. It also provides company and contact data entry options.

## **Licensing/Web Hosting**

Pricing includes normal and customary modifications and change orders as agreed upon by the licensee and ExecutivePulse.

For the term of the first-year contract, ExecutivePulse Inc. acts as the application service provider (ASP) for the licensee licensing the system on behalf of the client community or communities. In essence, the licensee outsources the highly technical aspects of database development, maintenance and technical support to ExecutivePulse Inc. It only incurs the costs of “using” the database technology to store and manipulate data on companies, contacts and users.

After the initial 12-month contract is complete, ExecutivePulse Inc. will offer continued use of the database technology for a nominal, annual fee that includes database hosting, system maintenance, professionally staffed 24/7 toll-free technical support and troubleshooting.

ExecutivePulse Inc. maintains ownership and control of all intellectual property, ideas, concepts and themes of ExecutivePulse to include all programming code and the survey instrument.

After the initial term of the contract, the licensee can terminate the agreement at any time on behalf of the participating organizations with a thirty-day written notice to ExecutivePulse Inc.

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**It is important to note that you own all data stored in the ExecutivePulse CRM System. We do not use your data for any purposes whatsoever.**

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## Pricing

### INITIAL ONE-TIME DEVELOPMENT/DEPLOYMENT AND LICENSE FEE

#### For Kandiyohi County, MN (One Time Fee)

CRM Enterprise License (unlimited use and users)

**\$11,095**

Includes:

- Customized functionality for **existing, prospect, start-up, closed,** and **relocated** firms
- Customization for market area and organizational needs
- First 12 months of web hosting/database maintenance
- First 12 months of technical support
- **Mail & Survey Campaign Module**
- **Outlook Integration Module with 5 user seats**
- **Google search integration**
- Survey/digital form development and report customization
- Segmentation of market into logical jurisdictions
- Resource mapping, guide and referral functionality
- Complimentary, full migration for standard data
- Mobile app for Android, Apple, and Kindle mobile operating systems

### ANNUITY FEE (YEARS 2, 3...)

#### For Kandiyohi County, MN (Annual Fee...years 2 and beyond)

Enterprise License (unlimited use and users)

**\$ 2,795**

Includes:

- **Full version upgrades**
- Unlimited document storage
- Ongoing routine system customization normal/customary system
- Unlimited remote training via Zoom webinars
- Live 24/7 technical support (toll free phone and e-mail)
- Unlimited management support/consultation
- Web hosting on scalable, secure and fully redundant infrastructure

## Select North American References

*We work with thousands of economic, workforce and community development users throughout North America. These customers represent the diversity of our client base. Feel free to ask these references about our technology and, equally important, service after the sale.*

**Mr. Erik Collins**, *Economic Development Manager*

Centerville, Ohio

[ecollins@centervilleohio.gov](mailto:ecollins@centervilleohio.gov)

937.901.5574

*This client has used our CRM, regionally, for 21 years. During this time, they have used the system for many diverse initiatives including BRE, Recruitment, Workforce, FDI, etc.*

**Mr. Matt Falter**, *Project Director/Network Manager*

Business Resource Network of Stark and Tuscarawas Counties Ohio

[mfalter@omjwork.com](mailto:mfalter@omjwork.com)

330.491.2625

*A newer client that is doing extensive client engagement with existing businesses in this two-county region of Ohio.*

**Mr. Neil Fowler**, *Director*

Office of Technology and Innovation, Pennsylvania DCED

[nfowler@pa.gov](mailto:nfowler@pa.gov)

717.214.5395

*This is another longstanding customer that has a network of over 1,300 users on their ExecutivePulse CRM.*

**Ms. Netty Matthews**, *Vice President-Existing Business*

Fort Worth Regional Chamber

[nmatthews@fortworthchamber.com](mailto:nmatthews@fortworthchamber.com)

817.875.1140

*This is a client that is doing aggressive regional employer outreach.*

**Mr. Lance Randall**, *Executive Director*

Black Business Association of Oregon

[lance@bbaorecon.org](mailto:lance@bbaorecon.org)

503.770.0016

*This is a longstanding customer—first in Seattle and now in Oregon. They are doing DEI-based outreach and service.*

**Ms. Monica Bricker-Thompson**, *Director of Programs*

Geauga Ohio Growth Partnership

[mthompson@geaugagrowth.com](mailto:mthompson@geaugagrowth.com)

440.564.1060

*This customer is doing active work in the CRM with survey building and campaigns.*

**Mr. Dale Wheeldon**, *Chief Executive Officer*

British Columbia Economic Development Association (BCEDA)

[dwheeldon@bceda.ca](mailto:dwheeldon@bceda.ca)

604.819.3809

*This provincial client has a lot of unique features and functionality across an array of roughly 80 communities.*



TO: Joint Operations Board

FROM: Aaron Backman  
Executive Director

Sarah Swedburg  
Business Development Manager

DATE: August 10, 2023

RE: ExecutivePulse CRM

In late 2022, Staff was notified that our subscription with Synchronist would be ending, due to the company ending their business. Synchronist was a Customer Relationship Management (CRM) software primarily used for Business Retention & Expansion (BRE) Surveys.

Before its closure, Staff received all of our data that had been stored in the platform along with a recommendation of replacement software options. After conducting our own software search, we have identified ExecutivePulse as our preferred replacement for our CRM.

A CRM allows us as a small staff to work more efficiently and effectively and to have more continuity during times of staff transition when we're working with a myriad of businesses throughout the County at any given time. ExecutivePulse is a CRM that was specifically created for economic development by economic developers. Their staff is larger than that of Synchronist but for about the same cost.

Sarah will take the lead on implementation of this software, so that we can maximize our use of this new tool. ExecutivePulse will not only allow us to track our conversations with businesses across our organization, but also allow us to assign tasks, create calendar events, track email correspondence, create surveys, and so much more. Because we do not currently have a formal, on-going BRE process, ExecutivePulse is also going to set us up with its recommended base survey for these visits/conversations that we can further customize upon use.

Implementing this CRM is going to further assist staff with capacity, better serve our businesses, and set us up for seamless operation during staff transitions.

# LICENSE AGREEMENT FOR EXECUTIVEPULSE CRM

This Agreement made this 2nd day of August 2023, by and between:

ExecutivePulse, Inc. and Kandiyohi County & City of Willmar Economic Development Commission, MN

## General Terms and Conditions

This License Agreement (“Agreement”) is a legal agreement between Kandiyohi County & City of Willmar Economic Development Commission and ExecutivePulse, Inc., the provider, for the associated media, printed materials, software, content, programs, ExecutivePulse, Inc. databases and electronic documentation at, in, on or about the password protected and firewall secure web site at [www.executivepulse.net](http://www.executivepulse.net) (the “Service”), as well as technical support and management consulting services collectively outlined in the attached proposal – “Exhibit A”. The Service is protected by intellectual property laws. The Service is licensed and not sold to Kandiyohi County & City of Willmar Economic Development Commission. All contents of the Service are Copyright © 2023, all rights reserved.

**1. GRANT OF LIMITED NON-EXCLUSIVE LICENSE.** ExecutivePulse, Inc. grants to Kandiyohi County & City of Willmar Economic Development Commission a non-exclusive, limited license to use the Service for the purposes outlined herein and for the consideration described on the Proposal attached hereto and incorporated herein as Exhibit A. Kandiyohi County & City of Willmar Economic Development Commission may not permit or allow any other individual or entity to access or utilize the Service. Kandiyohi County & City of Willmar Economic Development Commission may not modify, copy, distribute, transmit, decompile, disassemble, reverse engineer, display, perform, reproduce, publish, license, create derivative works from, transfer, or sell any information, documents, products, or services obtained from the Service. This Agreement does not grant Kandiyohi County & City of Willmar Economic Development Commission any rights, title, or ownership in connection with any trademarks or service marks of ExecutivePulse, Inc.

**2. INTELLECTUAL PROPERTY RIGHTS.** All title and intellectual property rights in and to the Service (including but not limited to any and all words, software, information, documents, qualifiers, images, photographs, content, databases, calculators, statistics, code, animations, video, audio, and music, located at, in or on the Service), the accompanying printed materials, and any copies thereof are owned by ExecutivePulse, Inc. All rights not specifically granted under this Agreement are reserved by ExecutivePulse, Inc. Kandiyohi County & City of Willmar Economic Development Commission shall maintain ownership of and all proprietary rights in its data only.

**3. INDEMNIFICATION.** Each party hereto agrees to be responsible and assume liability for all damages, claims, injuries, or penalties resulting from its own deliberate or negligent acts, errors, omissions, including those of its officers, agents or employees, and agrees to indemnify and hold the other party harmless for any such liabilities, claims, damages or injuries, including reasonable attorney’s fees. The provisions of this section shall survive termination of this Agreement.

**4. WARRANTY, LIMITATIONS AND DISCLAIMERS.** During the term of this Agreement, ExecutivePulse, Inc. warrants that the service has been developed, maintained, serviced, and updated by competent personnel and shall function after installation as described in the Proposal (hereinafter “Warranty”). If, at any time during the Term, the Services fails to perform in accordance with the Proposal, Licensee shall promptly notify ExecutivePulse, Inc. in writing of such alleged nonconformance. ExecutivePulse, Inc. shall use its best efforts to remedy or repair, as soon as reasonably practicable, all errors and malfunctions in the Service.

**THIS WARRANTY DOES NOT EXTEND TO, AND SHALL HAVE NO LIABILITY FOR, ANY LOSS, COST, EXPENSE, LIABILITY OR DAMAGE (INCLUDING WITHOUT LIMITATION, LOSS OF USE, OR CLAIMED LOSS OF ANTICIPATED PROFITS, BUSINESS INTERRUPTION, INJURIES OR DAMAGE TO PERSONS OR PROPERTY, ALL LIABILITIES TO ITS CUSTOMERS OR THIRD PERSONS, AND**

# LICENSE AGREEMENT FOR EXECUTIVEPULSE CRM

ALL OTHER SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES) WHETHER DIRECT OR INDIRECT, AND WHETHER OR NOT RESULTING FROM OR CONTRIBUTED BY THE DEFAULT OR NEGLIGENCE OF EXECUTIVEPULSE, INC., ITS AGENTS, EMPLOYEES OR SUBCONTRACTORS WHICH MIGHT BE CLAIMED AS THE RESULT, PROXIMATE OR OTHERWISE, OF THE DELAY IN OR INABILITY TO COMPLETE DELIVERY OF, OR THE INSTALLATION OF, OR THE USE OF OPERATION OR THE FAILURE OF THE SERVICE.

EXCEPT AS SET FORTH HEREIN, IT IS EXPRESSLY AGREED THAT THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NOR OTHER WARRANTY, EXPRESS, IMPLIED OR STATUTORY, NOR ANY AFFIRMATION OF FACT, OR PROMISE, BY EXECUTIVEPULSE, INC. WITH REFERENCE TO THE SERVICE OR THE PROPOSAL, OR OTHERWISE, WHICH EXTENDS BEYOND THE TERMS HEREOF.

5. **TERM.** Payment of the consideration outlined in the Proposal grants Kandiyohi County & City of Willmar Economic Development Commission a non-exclusive limited license to use the Service for a period of one (1) year unless renewed for additional terms by payment of the Annual Fee as set forth in the Proposal.

6. **TERMINATION.** Without prejudice to any other rights it may have, ExecutivePulse, Inc. may terminate this Agreement if Kandiyohi County & City of Willmar Economic Development Commission fails to pay the consideration set forth in the Proposal and/or otherwise fails comply with the terms and conditions of this Agreement. In such event, ExecutivePulse, Inc., upon ten (10) days notice, may immediately terminate Kandiyohi County & City of Willmar Economic Development Commission's access to and use of the Service. In the event of such termination, Kandiyohi County & City of Willmar Economic Development Commission shall destroy any and all copies of the information or content and all of its component parts obtained by Kandiyohi County & City of Willmar Economic Development Commission by virtue of this Agreement. However, at all times, Kandiyohi County & City of Willmar Economic Development Commission shall maintain ownership of and all proprietary rights in its data. The failure of ExecutivePulse, Inc. to exercise or enforce any right or provision of the Agreement shall not constitute a waiver of such right or provision. ExecutivePulse, Inc. or Kandiyohi County & City of Willmar Economic Development Commission may terminate this agreement with a thirty-day written notice to the other party any time after one year. Should Kandiyohi County & City of Willmar Economic Development Commission exercise such termination, Kandiyohi County & City of Willmar Economic Development Commission shall not be entitled to a prorata refund of its payment. Should ExecutivePulse, Inc. terminate the Agreement, Kandiyohi County & City of Willmar Economic Development Commission shall be entitled to a prorata refund of payment. Upon termination by either party, ExecutivePulse, Inc. will provide Kandiyohi County & City of Willmar Economic Development Commission with any of its data housed in the database in a useable Excel or Access file format.

7. **DEFAULT.** In the event of the breach or threatened breach of any provision of this Agreement by ExecutivePulse, Inc., Kandiyohi County & City of Willmar Economic Development Commission shall be entitled to injunctions, both preliminary and final, enjoining and restraining such breach or threatened breach. Such remedies shall be in addition to all other remedies available at law or in equity including Kandiyohi County & City of Willmar Economic Development Commission's right to recover from ExecutivePulse, Inc. any and all damages that may be sustained as a result of ExecutivePulse, Inc.'s breach of contract. In the event of the breach or threatened breach of any provision of this Agreement by Kandiyohi County & City of Willmar Economic Development Commission, ExecutivePulse, Inc. shall be entitled to injunctions, both preliminary and final, enjoining and restraining such breach or threatened breach. Such remedies shall be in addition to all other remedies available at law or in equity including ExecutivePulse, Inc.'s right to recover from Kandiyohi County & City of Willmar Economic Development Commission any and all damages that may be sustained as a result of Kandiyohi County & City of Willmar Economic Development Commission's breach of contract.

8. **NON-DISCLOSURE/CONFIDENTIALITY.** To the extent permitted by applicable law, the terms and conditions of this Agreement, the Service, the Proposal, all forms, software and documentation, and any information each party acquires as a result of this Agreement, are confidential. Neither Kandiyohi

# LICENSE AGREEMENT FOR EXECUTIVEPULSE CRM

County & City of Willmar Economic Development Commission or ExecutivePulse, Inc. will disclose the Service, the Proposal, its terms and conditions, forms, software, documentation, or information to any third party other than its affiliates, agents, consultants, or experts, or as otherwise permitted herein.

**9. FORCE MAJEURE.** Neither ExecutivePulse, Inc. or Kandiyohi County & City of Willmar Economic Development Commission shall be liable for any loss or damage to the other party or be deemed in breach of this Agreement to the extent that performance of its obligations or attempts to cure any breach under this Agreement are delayed or prevented as a result of any event or circumstance beyond its reasonable control, including without limitation, power or utility outages, or the inability to access the internet or the worldwide web so long as it resumes performance as soon as practical if the reason for delaying the performance no longer exists.

**10. NOTICES.** Notices, authorizations, and requests given over made in connection with this Agreement must be sent by post, express courier, or facsimile to the address and numbers indicated. Notices will be deemed delivered on the date shown on the postal return receipt, or on the courier or facsimile confirmation of delivery:

As to:

Executive Pulse, Inc.  
Laith A. Wardi  
11 East Fourth Street  
Erie, PA 16501

As to:

Kandiyohi County & City of Willmar Economic Development Commission  
Attn: Aaron Backman, Executive Director  
222 20<sup>th</sup> Street SE  
P.O. Box 1783  
Willmar, MN 56201

**11. SURVIVAL.** Upon termination of this Agreement for whatever cause, the following Sections shall remain in full force and effect: 2. Intellectual Property Rights, 3. Indemnification and 8. Non-Disclosure/Confidentiality.

**12. ENTIRE AGREEMENT.** This Agreement (together with any Exhibits hereto) constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes any and all other agreements, written or oral, that the parties heretofore may have had with respect to the subject matter herein.

# LICENSE AGREEMENT FOR EXECUTIVEPULSE CRM

IN WITNESS WHEREOF, the parties have hereunto set their hand and seal on the date first written above.

**ExecutivePulse, Inc.**

**Kandiyohi County & City of Willmar EDC**

By: \_\_\_\_\_  
Laith A. Wardi, President

By: \_\_\_\_\_  
Aaron Backman, Executive Director



Kandiyohi County & City of Willmar  
ECONOMIC DEVELOPMENT COMMISSION

TO: Joint Powers Board

FROM: Sarah Swedburg  
Business Development Manager

DATE: July 27, 2023

RE: Business Development Manager Updates

Providing a staff report is always a great opportunity to reflect on all of the activity that has taken place over the last several months. Since April, the EDC has been busy executing activity for several grant programs. The following report details notable projects and activity that I have participated or assisted with since the end of April.

- Bethesda Groundbreaking for Summer 2023 Willmar Campus Expansion/Renovation
- Community Venture Network
- Willmar Lakes Area Chamber of Commerce High School Career Expo
- Became a Good Food Access Advisory Committee Member (MN Dept of Ag Program)
- 2<sup>nd</sup> Quarter RCCIP Meeting
- League of Women Voter's "Hot Topic" Child Care Presentation
- Willmar Lakes Area Chamber of Commerce 5<sup>th</sup> Grade Dairy Tour at CoJo Dairy
- New London On-Site Visit for Connecting Entrepreneurial Communities Conference
- Tour of CNH Warehouse
- Lost & Found Podcast Episode with RedStar
- Area Development Consultants Forum in Detroit, Michigan
- Digital Connection Committee Booth at Willmar Fests
- Aggie Open Volunteer
- Completion of Elevate & Graduation Ceremony
- Economic Development Association of Minnesota Summer Conference
- Grant Writing USA Grant Writing Training
- Willmar Sertoma Club Presentation
- Planning Assistance with Blandin Foundation for Board Retreat
- Creative Collective Art Gallery at RedStar
- Partners in Ag Innovation
- Southwest Initiative Foundation Summer Social at Grandview Winery
- Begin Elevate Summer Fellowship

In addition to these major events, we received great news that Vibrant Broadband (Meeker Coop) was a successful recipient of both a \$21 Million USDA ReConnect Grant, covering portions of Kandiyohi, Meeker, and Stearns County, in addition to two State Border-to-Border Broadband Development Grants, totaling about \$2 Million. We are excited for the continued success attracting dollars for Broadband infrastructure in Kandiyohi County.

### **Elevate Community Business Academy**

The Elevate CBA officially has 50 alumni, including five alumni who graduated from a class taught in Spanish! We are grateful for all of the guests that have joined us over the last five semesters to build relationships and share their knowledge with these students – and for our instructors that have put in countless hours supporting these students as well. We are gearing up for our Fall 2023 class, which will kick off the week of September 12 and conclude the week of December 12. There will only be one class taught in English this semester, led by Stephanie Lopez. Classes will take place on Tuesday or Wednesday evenings at 5:30pm, and this will be determined after information sessions have taken place and we've received feedback from interested applicants. Information sessions will be happening at 6pm in the EDC board room on July 31<sup>st</sup>, August 2<sup>nd</sup>, August 8<sup>th</sup>, and August 10<sup>th</sup>. We have a waitlist of over 50 people that have inquired or shown interest in an Elevate class.

This summer, we are also piloting the "Elevate Summer Fellowship," geared for high school students and CEO graduates, from both the KCEO and WCCEO classes. We have six students going through this class, being taught by myself and Samantha Nelson. Samantha and I have restructured this class to only be six weeks long, and they will conclude on August 14<sup>th</sup> with a "Brain Trust" – an event where mentors join them to help them think through sticking points in their businesses, modeled after the Initiators Fellowship Brain Trust.



Joint Powers Board Meeting  
Willmar, MN  
7/13/2023  
Marketing and Communications Update

#### Re-Branding

- Website design is in the site-map phase.
- The re-naming exercise resulted in a positive conversation about names reflecting our work and over-arching goals. The next step is getting this out to partners for responses.
- Began rebranding planning with the MPR Committee. The August meeting will be a planning meeting that defines personas for our audiences along with our tagline and how we define our work. Logo work will also be considered.

#### Workforce Support

- The Spring Virtual Career Fair took place in May. There were eight resumes submitted and interviews scheduled. I messaged with businesses for 4 hours and had great conversations about their workforce challenges and possible solutions.
- The in-person jobs and career fair took place at Willmar High School. ACGC, CMCS, and CCS attended for the first time. DREAM Academy and KMS were set to schedule but had transportation issues. Next year we will make sure they know that transportation funding is likely to continue in future years by SWIF.
- After meeting with the Willmar Lakes Area Chamber and the BEN Coordinator, I am moving forward to coordinate with all schools that serve Kandiyohi students to bring professionals into 3rd and 5th grades and continue high school career engagement.
- Preparation for a Virtual Business Resource One-Stop-Shop has begun. This event will be live on August 27 for 4 hours, then open for two more months.

There are five main areas of support. New Legislation Resources, Legal Aid and Insurance, Human Resource Guidance, Marketing for Workforce Attraction, and Workforce Support. This event will occur on August 27<sup>th</sup> and be open through October. JR Business Solutions is a sponsor for this event.

- A Caring Careers virtual career fair will be held on September 14<sup>th</sup>



- A Minnesota Manufacturing Month virtual career fair will be held on October 12<sup>th</sup>. Premier Virtual will support both of these through their new jobseeker recruitment assistance free of charge.

#### Child Care Grant

- The Child Care Grant continues to progress with creating management documents that organize goals, strategies, actions, and assignments. This supports the implementation and success of each program area. The mentorship program will be launched this week through personal invitation; the technology assistance grant recipients have received their new technology. This includes nine providers.
- Initiated conversations with Engan Associates during prospective child care location walk-throughs on creating a checklist for childcare locations that can then be delivered to contractors that details licensing requirements and general construction items to be completed.
- Confirmed and sent a communication to providers about tax implications of 1099-c received of the forgivable loan program
- Function as a liason between interested parties
- Coordinated and planned the Child Care Recruiter Event on June 26th; the event connected with several individuals interested in starting child care and building a continuingly strong partnership with UCAP, MMDC, and the county.

#### Marketing/Public Relations/Communications

- Continued goal and mission identification process with the Marketing and Public Relations Committee
- The Digital Connection community forums took place last month, marketing in getting surveys out to communities, advertising forums, and press releases were executed
- Summer newsletter will be published in August with the theme of "Pathway to Prosperity" and Kandiyohi County being the catalyst for success for entrepreneur immigrants.

## Outreach Opportunities

Through the strategic planning, outreach and marketing outside of the community was again identified as part of the important work we do. You have several opportunities to support that work as a committed board member.

- Planning for FarmFest next week. Need volunteers for 2-4 hour shifts.
- Volunteer