

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
February 13, 2020
EDC Board Room, Willmar

Present: Art Benson, Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke (via teleconference) and Kerry Johnson

Excused: Kelly TerWisscha

Ex Officio: Julie Asmus and Dave Ramstad

Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Manager

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

Media: Shelby Lindrud, West Central Tribune

Vice President Kerry Johnson called the meeting to order at approximately 11:00 a.m. and declared a quorum was present.

AGENDA

IT WAS MOVED BY Rollie Boll, SECONDED BY Donna Boonstra, to approve the Agenda and following Consent Agenda. MOTION CARRIED.

CONSENT AGENDA

- Approve:
1. Minutes of January 9, 2020 meeting
 2. Financial reports as of January 31, 2020
 3. Removal of Jean Geselius from the Marketing and Public Relations Committee
 4. Payment of bills over \$1,000:
 - a. Partners In Ag Innovation Conference sponsorship of \$1,500 as budgeted
 - b. Compass Consultants, Inc. for \$18,740 (pass through) after reimbursement by Dovre, Mamre and St. Johns Townships and Kandiyohi County
 - c. REDstar Creative for \$2,070 from the Marketing and Public Relations Committee's budget
- Accept: Committee/Subcommittee Minutes
1. Agriculture and Renewable Energy Development 12/19/2019 and 1/16/2020
 - a. Ag Industrial Hemp 10/7 and 12/9/2019; 1/13/2020
 2. Broadband and Advanced Technology 1/6/2020
 3. Business Retention and Expansion/Recruitment 12/6/2019 and 1/3/2020
 4. Marketing and Public Relations 12/23/2019
 5. Leisure Travel 1/6/2020

UNFINISHED BUSINESS

Connecting Entrepreneurial Communities Conference. Aaron Backman reported 12 communities submitted applications to host the Connecting Entrepreneurial Communities Conference and the City of Staples was selected. Backman was told that our application was good, but Staples has more hotel rooms than New London.

Other. In response to a question on the status of Model Citizen, Connie Schmoll reported Goat Ridge Brewery did not renew its lease with Model Citizen. Schmoll has been in contact with Model Citizen, which wants to stay in the community and is looking for another location in the New London area.

NEW BUSINESS

Request to Attend Area Development Site Selector Conference in Detroit, MI. Schmoll distributed information on the 2020 Area Development Forum (see attached) and requested she attend the OutFront Workshop Forum in Detroit, Michigan. Southwest Initiative Foundation (SWIF) is willing to pay some of her costs to offset the nearly \$3,000 expense. Schmoll noted her attendance at last year's conference has been beneficial in marketing the Willmar Opportunity Zone.

IT WAS MOVED BY Art Benson, SECONDED BY Donna Boonstra, to approve Connie Schmoll attending the Area Development OutFront Workshop Forum in Detroit, Michigan, March 30-April 1, 2020 and paying the costs related thereto. MOTION CARRIED.

Ag Succession Planning Seminar. Schmoll reported the EDC's Agriculture and Renewable Energy Development (Ag) Committee will host an ag succession planning seminar on March 24, 2020, from 7:30-9:30 a.m. at the Willmar Conference Center. Christianson PLLP is providing the speakers and sponsors are Bremer Bank and Heritage Bank.

Other. Donna Boonstra recommended the EDC look at succession planning for its Executive Director position.

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Backman reported Pinnacle X-Ray, currently located in the Bernick's building, is looking for another location in Willmar, possibly in the Industrial Park's 4th Addition to build a manufacturing building. West Central Steel provides the steel for Pinnacle X-Ray. Dave Ramstad reported the lots being considered would be a good location as they are more suitable. Ramstad will first bring a new land write down policy to the Community Development Committee and then to the Willmar City Council. Ramstad reported his department is working on three major initiatives:

1. Updating the city's comprehensive plan. A task force will be formed and anyone interested in serving on the task force should contact Ramstad.
2. An annual mass property maintenance citation effort. This spring a team will evaluate properties across the city, take photos and note all offenders, who will be cited at the same time.
3. Downtown Renaissance Zone. A meeting was held at Willmar Main Street to answer questions. The Renaissance Zone will include store front incentives, abatements and tax increment financing,

as well as Opportunity Zone capital gains tax investments. Other incentives being proposed are free sewer and water access charges, free land use permits, free building permits, free signage permits, incentive packages for remodeling, matching forgivable loans for those who meet certain thresholds; and removal of holiday and weekend parking restrictions. They may also look at angled parking. They are looking for creative ideas. Some sites could be industrial, housing and mixed use housing. The city wants to preserve heritage sites. Information on the [Renaissance Zone](#) can be found online. It would be a five-year pilot program. Backman stated the Renaissance Zone is getting attention; the Small Business Administration State Director and representatives from Congressman Collin Peterson's office will be in Willmar on February 19th to specifically hear about Willmar's Opportunity Zone and Renaissance Zone.

Strategic Priority Areas.

Agricultural Innovation. Schmoll reported the Ag Committee is working on visioning and again working with the MinnWest Technology Campus (MWTC) to host the Partners In Ag Innovation Conference on July 30, 2020. The keynote speaker is Jason Broadwater, whose main topic is economic development. LeafLine Labs is working on a build-out of the former PayLess building. Rollie Boll encouraged board members to read the committee minutes for more information. Schmoll stated the Industrial Hemp Subcommittee will be watching a live online broadcast of the 2020 Industrial Hemp Conference by the University of Vermont Extension on February 20th. The subcommittee also approved Laura Arne attending a conference in Virginia; she is on a waiting list. The Ag Committee set aside \$5,000 for industrial hemp exploration. A staff person from Congressman Collin Peterson's office attended the last subcommittee meeting and informed them regulations were just passed allowing multi-crop insurance for hemp, but they need a market for the product. Kevin Halvorson is the new Ag Committee chair and Dustin Kotrba is the new vice chair.

Broadband. Schmoll reported the Broadband and Advanced Technology Committee met with Dovre, Mamre and St. Johns Townships and communicated the outcome of the study by Compass Consultants. Committee chair, Mark Boeschen, provided information on the anticipated costs of a project. She, Boeschen and Vice Chair Dave Sisser will be attending the monthly township meetings to get information to the entire board. Mamre Township has approved going forward with education before voting on the project.

Business Support. Backman reported follow-up meetings continue to be held by the participants of the Retail Business Design Workshops every other month. The most recent meeting was hosted by ReStore of Habitat for Humanity. Several participants have implemented changes as a result of the workshops. Jackie Parr, a University of Minnesota College of Design doctoral student, who provided one-on-one technical assistance to the participants was just hired as an associate professor at St. Catherine University and will be presenting on the program at the American Collegiate Retailing Association Conference in New Orleans. Schmoll showed the 43-second teaser video and the 4-minute video, which are meant for employers to use for recruitment. The videos will be posted on the EDC's website and will be shared with businesses to place on their own websites. It is in Vimeo format and could be placed on YouTube. The board voiced their support of the video and felt it was a great marketing tool. Backman thanked Torry Norling, Schmoll and the EDC's Business Retention and Expansion/Recruitment Committee.

IT WAS MOVED BY Donna Boonstra, SECONDED BY Art Benson, to approve payment of \$2,000 to Torry Norling. MOTION CARRIED.

Workforce Development. Backman reported this week Ridgewater College's Computer-Aided Drafting program was ranked number two in the country and its Nondestructive Testing program is ranked in the top 18 in the country. Jennifer Mendoza, director of CLUES, is working on a diverse customer service program. CLUES will host a Lunch 'n Learn on February 26th from 11:30 a.m.-1:00 p.m. at Spurs and 4:30-6:00 p.m. at WORKUP.

Childcare. Schmoll reported the Rural Child Care Innovation Program is moving forward on its goals and the program is being emulated by other communities. The Spicer Early Learning Center is up and running and the Willmar Child Care Center is working on its license, which could take four to five months. SWIF and Mid-Minnesota Development Commission created a manual of resources for start-up childcare centers. A link to the manual is on the EDC's website and will be forwarded to others to put on their websites. Cheryl Glaeser is working with the group on applying for a Launch Your Future Today (LYFT) grant.

Opportunity Zone Marketing. Backman reported Golden Shovel and the Opportunity Zone team reviewed changes for the final version of the Prospectus. Golden Shovel has highlighted the Prospectus to its contacts and via social media. Backman is working with development groups from Willmar, Chaska, Mankato, St. Louis Park, Sioux Falls, South Dakota, and Madison, Wisconsin, for projects in the zone. Backman provided information on the development groups and their interest in the Renaissance Zone and Opportunity Zone. Within the next 45-60 days the EDC anticipates hosting a local fund investor meeting. The Chaska group initially went to the City of Willmar and was referred by Ramstad. They will be visiting Willmar on Monday. Golden Shovel will provide the Prospectus files to the EDC for future use. Ramstad reported he created a preliminary draft of a one-time hotel/conference center for the Renaissance Zone near the hospital. Vice Chair Johnson will forward to Backman an article on co-housing. Backman reported Kwik Trip has submitted plans for a downtown location to the Willmar Planning and Development office, which are being reviewed. They may move ahead in the second quarter of 2020. Ramstad invited Backman and Schmoll to attend the city's department meetings.

Business Visits and Meetings. Schmoll reported she attended 1 Million Cups, which was a presentation by Thaddeus Medical Systems, which makes medical shipping containers. Schmoll met with the individual, who toured MWTC and what the community has to offer. She also attended the Economic Development Association of Minnesota (EDAM) Winter Conference and several projects highlighted had to do with Willmar—KCEO, LYFT, Duininck's driving school and a presentation by Backman on diverse businesses. See her attached report for additional information. Boonstra reported KCEO will do its program at MACCRAY next year. Schmoll also visited The Munchies Stop, a new business located on First Street in Willmar, which needs assistance with accounting and signage. Backman reported he met with Stacy Griffey, Director of Equity, Inclusion and Student Success, for Ridgewater College. Backman stated he gave a presentation to about 70 people at the EDAM Winter Conference on the do's and don'ts of working with diverse entrepreneurs. See his attached report for additional information. The Willmar City Council approved rezoning for Bargains and Blessings to purchase the former Molenaar building in the Willmar Industrial Park. Ramstad stated the city also rezoned a couple of other lots for commercial use rather than industrial. Ramstad and Sarah Swedburg are looking at mixing the uses together rather than separating them by industry.

Other. Julie Asmus announced the Spicer Castle was purchased by Diane Buzzeo, who is looking at redeveloping the property. Vice Chair Johnson reported the second annual ice dance in Spicer was attended by 684 attendees and many families attended the winter activities, which included kicksleds, wagon rides and Disney characters. Spicer will continue to have the ice dance the same weekend as the Polar Plunge. Boonstra reported the Highway 23 Coalition will hold its annual membership meeting on March 13th and Governor Walz has been invited to attend. The Coalition will hold its annual Legislative Lunch at the Capitol on March 18th and those who attend will receive a Highway 23 mug. A new pop-up banner was created and will be displayed at future Coalition meetings. Coalition representatives will again travel to Washington, D.C. in May.

COMMITTEE REPORTS—There was nothing additional to report.

NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, March 12, 2020**, at the EDC Office, Willmar.

ADJOURNMENT—

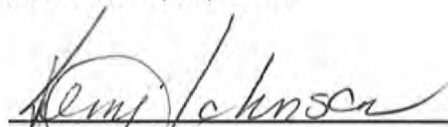
IT WAS MOVED, SECONDED AND CARRIED to adjourn the meeting.

The meeting was adjourned at approximately 12:38 p.m.



Art Benson, Secretary

APPROVED: 3/12/2020:



Kerry Johnson
Vice President

2020 Area Development Forum

The Area Development Consultants Group is conducting a forum in Detroit on March 30th through April 1st, 2020. I was able to attend an Area Consultants Forum in 2019 and found the opportunity to be very beneficial to the work of the EDC. This is one of very few consultant events that are open to economic developers without membership in an organization or by invitation only.

Participation in the 2019 Area Consultants Forum in Charlotte North Carolina was an opportunity to hear from leading experts and learn about best practices for economic development.

With 17 site selectors in attendance at the Charlotte Forum, and only 150 total participants, the opportunity to meet face-to-face with individual consultants was maximized.

The speaker program brought in leading site consultants and industry experts to cover a wide spectrum of topics relevant to today's competitive market place. Topics included:

- ✓ Maximizing employee attraction, retention and engagement
- ✓ Critical trends that affect location – tariffs, auto industry changes, industries entering U.S markets, etc.
- ✓ Expansion of automation in warehousing
- ✓ Retail changes and redevelopment options
- ✓ How technology is being used in creative space and design for offices
- ✓ Trends in foreign direct investment in the U.S., specifically from Germany, China and Japan
- ✓ The disruption of autonomous vehicles; driverless features are already present in most vehicles and trucks without drivers will soon be on the roads.
- ✓ Processes for working with site consultants including incentive compliance requirements

I also learned best practices concerning contacting the site consultants. I recently used the contact list I was able to put together because of the conference to share the prospectus on our Opportunity Zone.

I called Matthew Shea, Coordinator of the Area Development Agency to inquire about forums scheduled in 2020. I asked about best venue for promoting our area with its agriculture base, food processing, metal fabrication and tourism. He said our best fit is the Detroit Forum as it brings people interested in the Midwest. The Detroit Forum is limited to 85 participants and brings in more than 20 site consultants. This forum fills quickly and is costly at \$1795 for registration, but will be the best fit for building relationship with consultants that pay close attention to rural Minnesota sites.

I am willing to secure funds from SWIF as I did in 2019, to get financial support for part of the registration fees. I predict that airline flight and hotel will cost another \$1000.

Please consider approval of using agency funds for my attendance at the Detroit Forum in March/April, 2020.

Connie Schmoll
Business Development Manager



**Joint Operations Board Meeting
Aaron Backman Report
February 13, 2020**

Marketing Effort for Willmar Opportunity Zone

Golden Shovel and the Willmar OZ Team had a meeting on February 11th to review changes in the final version of the Willmar OZ Prospectus. Those are in process now. Golden Shovel has been highlighting the Willmar prospectus to its contacts and on social media. The EDC has been distributing copies of the document as well.

The EDC is currently working with five development groups potentially interested in projects that would be located in the Willmar OZ—one commercial, two multi-family housing projects, and one (possibly two) mixed-use projects. The latter potentially involves owner-occupied units. The development groups are based out of Willmar; Mankato; Chaska; Sioux Falls, SD; and Madison, WI. One of the groups has already developed about a dozen initial concept diagrams showing different phases and configurations for surface/underground parking.

The EDC anticipates that in the next 45 to 60 days we will pull together an initial OZ Fund Investor meeting with the idea of creating a local/regional OZ fund that will have local and outside investors.

2020 Connecting Entrepreneurial Communities (CEC) Conference

As was mentioned at the December meeting the Connecting Entrepreneurial Communities (CEC) Conference collaborative was seeking proposals to host its September 2020 conference. The CEC Conference is designed for small rural communities (under 10,000 in population) interested in building entrepreneurial communities throughout Minnesota and beyond. The two-day conference is not intended to be held in a conference center, but in a downtown setting that is walkable and that takes place in a community that has restaurants, retail stores, art galleries and other amenities.

Approximately 12 communities around the state submitted applications to host the conference, including the City of New London. During the first week of February we learned that CEC Collaborative selected the City of Staples to host the 2020 Conference. They were complementary regarding New London's application and the local effort, however, it appears that one advantage Staples has is the number of hotel rooms.

Business Meetings (January 10th – February 13th)

1. Attended meeting w/SMSU President Kumara Jayasuriya at Midtown Plaza (1/10/20)
2. Participated in Bi-weekly Mtgs w/Willmar Planning & Zone (1/14 & 1/28/20)

3. Participated in Hwy 23 Coalition Board of Directors Mtg. at Dooley's Petroleum (1/15/20)
4. Mtg. w/Stacy Griffey, the new Director of Equity, Inclusion & Student Success at Ridgewater College
5. Attended Willmar Complete Count Meeting at City Hall
6. Participated in Open Mic Program at KWLM (1/16/20)
7. Participated in conference call w/SWIF and CRF coordinating Diverse Entrepreneurship presentation at the EDAM Winter Conference (1/17/20)
8. Participated in Poultry Education meeting w/Dr. Tim Johnson & Kathy Schwantes at MCROC (1/21/20)
9. Willmar City Council approved the Orderly Annexation process for the Epitopix Line Project (1/21/20)
10. Strategy Session w/Cheryl Glaeser, Achieve, for the EDC's Strategic Planning Session on March 26th
11. Presentation re Investing in Diverse Entrepreneurship at the EDAM Winter Conference in Bloomington, MN (1/24/20)
12. Participated in EDC Marketing & PR Committee Mtg. at WORKUP (1/27/20)
13. Attended w/Donna Boonstra the 2020 MN Legislative Session Outlook at InterContinental in St. Paul (2/29/20)
14. Attended Donn Winckler's Retirement Event
15. Participated in Vision 2040 Steering Committee Meeting at WACF
16. Interviewed by writer for Willmar article in Business in Focus magazine (2/3/20)
17. Attended Willmar City Council meeting approving Bargains & Blessings rezoning of building in Willmar Industrial Park
18. Conference call re MAPCED Meeting agenda during AMC Legislative Conference
19. Participated in Ridgewater College General Advisory Council Mtg. in Hutchinson; followed by tour of campus (2/6/20)
20. Attended Willmar Chamber Public Policy Committee Mtg at The Oaks
21. Monthly mtg. w/Dr. Craig Johnson, Ridgewater College (2/7/20)
22. Participated in Zoom Conference for final changes to Willmar OZ Prospectus (2/11/20)
23. Attended Renaissance Zone presentation at Willmar Main Street Board meeting at Spurs

Business Visits

1. Meeting w/Terry Smith re a proposed business in Willmar area
2. Meeting w/Jason Butler re commercial development in Willmar OZ
3. Site visit by Minneapolis company & tour of proposed space at MinnWest Tech. Campus
4. Mtg. w/owner of Rochester medical company; tour of MinnWest Technology Campus
5. Retail Business Design Group meeting and tour at Habitat for Humanity/ReStore
6. Mtg. w/Josh Slagter, Pinnacle X-Ray regarding new manufacturing building
7. Mtg. w/development group re redevelopment project in Willmar OZ; reviewed a number of initial concept diagrams



**Joint Operations Board Meeting
Connie Schmoll Report
January 23, 2020**

Childcare

The Spicer Early Learning Center opened on December 23rd and is now providing childcare services. With an extra room for the first year specifically for infants, they are helping reduce the County's greatest need, which is additional spaces for infants.

The Willmar Child Care Center has made a final payment for the construction costs and is currently purchasing equipment and furniture for the center. Inspections from the fire marshal, City of Willmar and Kandiyohi County are being scheduled. The application for licensing has been sent to the state.

The Kandiyohi County Rural Child Care Innovation Program core leadership team welcomed Cheryl Glaeser to the January meeting to discuss an opportunity to apply for a *Launch Your Future Today* (LYFT) grant. LYFT is a rural career and technical education (CTE) pathway initiative with the purpose of rebuilding CTE in southwest and west central Minnesota. The program and its funding was legislated in 2018 through the Minnesota Department of Education and funded through Service Cooperatives. Mini grants can total up to \$10,000 and larger projects up to \$50,000. The goal is to assist students in gaining marketable skills through meaningful courses and opportunities leading to further education and careers that match the labor market needs of the area. With the need for childcare workers in our area, the LYFT grant may be an opportunity to build interest and find those with passion for the work and help set them on the path for early childhood education careers. A subcommittee has been formed and plans are underway to form a LYFT program on behalf of childcare.

Broadband

Compass Consultant's Inc. and the EDC mailed a survey form to all businesses and residents in the three targeted townships to assess current speeds and interest for greater speeds. With a goal of at least 250 (20%) returned surveys, the final count came out higher at 344 (30%).

The marketing survey and engineering study were completed and results presented to the EDC's Broadband and Advanced Technology Committee meeting at its January 6th meeting. A presentation of the results to the townships' board representatives and county representatives was conducted on January 30th at the Pennock City Hall. The engineering study and the marketing study were both presented. The cost of the project for all unserved and underserved premises (438) is expected to cost \$3,983,391. The length of the build is 115.77 miles. Members of the EDC's Broadband Committee are in the process of attending township meetings and reporting to the boards of supervisors. The hope is that each township will vote to move forward to educational presentations to their constituents. Mamre Township has made this decision.



Agriculture Innovation

The EDC's Ag Event Planning and Marketing Subcommittee is engaged in planning two events: the Partners in Ag Innovation workshop in conjunction with MinnWest Technology Campus to be held July 30, 2020 and a seminar on estate and succession planning for ag producers on March 24th. The second event is a partnership between the EDC, Willmar Lakes Area Chamber of Commerce and Christianson PLLP. We are also seeking sponsorships.

Meetings and Events

1. Poultry Research and Training Facility meeting
2. Childcare Core Leadership Team
3. Opportunity Zone Marketing/Golden Shovel
4. Willmar City Planning Meetings
5. Willmar City Planning Commission on Annexation and zoning change request
6. Business Development Meeting on MinnWest Technology Campus
7. Strategic planning preparation with Cheryl Glaser
8. LYFT conversation with Cheryl Glaser and Childcare subcommittee
9. Chamber of Commerce Grow Minnesota Team Meeting
10. Neil Linscheid planning for March SWBDN meeting in Willmar – Retail Business Design Program
11. FFA Student Sales Judging at Ridgewater College
12. Planning Team Meeting for training session, "Women on the Move"
13. Update meeting with Compass Consultants and Arvig
14. Willmar Township Meeting on Annexation
15. Highway 23 Legislative Committee Meeting
16. Ag Innovation Workshop planning
17. Farm Succession Seminar Planning
18. One Million Cups with Thaddeus
19. Economic Development Association of Minnesota Winter Conference
20. Discussion with DEED rep. Kevin McKinnon

Business Visits

1. Willmar Precast discussion of business needs
2. Business start-up questions with Brad's Tree Service
3. Business planning with Once Again Consignment
4. Steve Scully of Rochester based medical storage device business, Thaddeus
5. Business planning with John Salgado
6. Karen A. Glacial Ridge Winery planning
7. Model Citizen business planning
8. Willmar Childcare Center meeting with owner and financing team
9. Bargains & Blessings zoning change request
10. Epitopix sewer extension project and annexation
11. Business planning with Munchies Stop owners
12. Atwater Business start-up
13. Follow-up with KP Mechanical/Blomkest Plumbing and Heating