

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT POWERS BOARD OF COMMISSIONERS MEETING
MINUTES
April 28, 2016
EDC Office, Willmar, MN

Present: Denis Anderson, Marv Calvin, Ron Christianson, Roger Imdieke, Harlan Madsen and Doug Reese

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

Media: Carolyn Lange, West Central Tribune

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

Chairperson Harlan Madsen called the meeting to order at approximately 11:32 a.m. and declared a quorum was present.

MINUTES

IT WAS MOVED BY Doug Reese, SECONDED BY Denis Anderson, to approve the minutes of the January 28, 2016 annual meeting of the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board of Commissioners as e-mailed. All present voted unanimously in favor by roll call.

TREASURER'S REPORT—Aaron Backman presented the financial reports for periods ending January 31, February 29 and March 31, 2016 and reviewed with the board the most recent Balance Sheet and Profit and Loss report. Backman noted that of the \$39,000 income, some was from tax levy proceeds and approximately two-thirds was related to the Kandiyohi County Creating Entrepreneurial Opportunities (KCEO) loan program and total expenses were \$153,183.

[Ron Christianson joined the meeting]

IT WAS MOVED BY Roger Imdieke, SECONDED BY Harlan Madsen, to accept the Kandiyohi County and City of Willmar Economic Development Commission financial reports for periods ending January 31, February 29 and March 31, 2016, subject to audit. All present voted unanimously in favor by roll call.

REPORTS

Economic development activities. Backman reported his first two months have been very busy. He has met with and toured six of the county's largest employers, including Rice Memorial

Hospital, Jennie-O Turkey Store, West Central Steel and Life-Science Innovations (LSI); met with several city councils, including Spicer and New London and their Economic Development Authority (EDA) representatives; attended a quarterly mayor/city administrator meeting in Lake Lillian. On April 4, 2016, the Willmar City Council voted to support the Shovel-Ready Certification process for the Willmar Industrial Park and assist with paying related expenses.

Backman met with four top staff of AURI (Agriculture Utilization Research Institute), including its new Executive Director, and encouraged them to partner in setting up a 2,000-2,500 square foot research wet lab at MinnWest Technology Campus (MWTC). Connie Schmoll noted it was a good meeting with AURI where they shared ideas and discussed resources. AURI is interested in what the EDC is doing, including the work to develop an ag investment group. Backman has had discussion about wet labs with LSI and other local businesses, which would allow for more specialized research and would be a draw for the community. Some Level 2 labs in Willmar are larger than those in the Twin Cities. Epitopix and LSI also have research and development labs on the south side of MWTC.

Backman gave an update on the Shovel-Ready Certification Application process for the Willmar Industrial Park. Bonnema Surveys, Inc. has completed the topographic elevation work; Glacial Lakes Environmental Consulting, Inc. will do the Phase 1 environmental report and did a site walk last week with Bruce Peterson; eight soil borings by Braun Intertec have been delayed due to the weather—they hope to complete them the first week of May (see proposed locations (triangles) on attached map); four additional soil boring locations have been identified in the “Proposed Additional Survey Area” on the attached map, which will increase the cost. Soil borings provide base information helpful to companies, but most companies will do their own borings; borings may also indicate which lots will be the hardest to sell.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Ron Christianson, to proceed with four additional soil borings at an estimated cost of \$1,500. All present voted unanimously in favor by roll call.

Backman reported he has been working with City staff on the possible location of streets/roads in the proposed Willmar Rail Park and where the rail spur could connect with current streets/roads; and he met with a Twin Cities business prospect that may have need for a rail spur.

Schmoll reported most of her time has been spent on the county’s broadband issue, including a forum presentation on April 18 to Minnesota Lt. Governor Tina Smith at Jennie-O Turkey Store’s corporate offices in Willmar. The EDC’s Broadband and Advanced Technology Committee is working closely with CNE (Communications Network Engineering, Inc.), which will give a report to the Kandiyohi County Board of Commissioners next week. Mpower Solutions, the feasibility study marketing company, created press releases about the community broadband survey and the EDC is releasing them along with ads. The committee is using multiple avenues to notify the community about the telephone survey and requesting their participation.

The Agriculture and Renewable Energy Development (Ag) Committee is working on its annual goals. The Ag Investment Planning Subcommittee received responses from 37 potential investors (25 want to make individual investment decisions and 12 are willing to invest a minimum of \$50,000). An initial meeting was held with 16 potential investors attending a presentation by

Steven Mercil, CEO of RAIN Source Capital, and 5 being identified for the leadership team. Backman noted Hill Capital Fund will be an avenue for established, high-growth businesses while the local angel investment fund will be for early-stage investments of \$200,000 to \$400,000. The Ag Producers Survey Planning Subcommittee held two focus groups with Ag producers and Ag businesses and will be deciding whether to conduct another Ag BRE survey. Schmoll completed a data report from the Atwater BRE survey (see attached), which will be presented to the Atwater EDA on May 11—the information has not been analyzed nor have findings been done. The survey showed people in the community are the greatest resource and use of each other's services. Atwater's major challenge has been last year's road construction, which will continue this year. Losing base businesses and the Internet are concerns. Schmoll and Backman met with the New London merchants group at the request of Imdieke. The Lake Lillian gas station/convenience store reopened Tuesday by new owner Jeff Drexler and is being managed by Greg Bunting. Backman noted the Lake Lillian community is extremely pleased with the store's reopening. Schmoll noted Wendy Lund, a Lake Lillian city council member, thanked the EDC for its assistance.

Follow-up of planning retreat. Backman thanked the board for attending the planning retreat last week. The board reviewed the Recent Successes & Issues (Positive and Less Than Positive), Recent Successes & Issues (Vision, Mission and Priorities) and Session Evaluation (see attached). Backman noted other results and action items resulting from the planning retreat will be provided and addressed at a future meeting. Positives included the BRE survey, Willmar Railroad Wye, TED grant for Meadowstar Dairy, Willmar Industrial Park completion, county housing study, broadband feasibility study, new EDC office and WORKUP. Less than Positive included Broadband issues and challenges, workforce, ag diversity and transportation. Unintended Positive and Less Than Positive included the avian flu, which resulted in a positive of a new turkey research lab being built and the Willmar researchers developing an earlier detection method; and the CEO student loans were a positive, but less than positive were issues in being its fiscal host. Imdieke felt it was a good and helpful exercise; others found it beneficial when they broke up into small groups.

Backman noted the EDC has had a Mission Statement, but has never had a Vision Statement. Key phrases for a Vision Statement from the planning retreat included promotion, international economic competitiveness and economic leader. Backman shared two examples of a proposed Vision Statement:

- The EDC provides economic development leadership for the Willmar Lakes Area that leads to economic growth and prosperity, and promotes innovation and international economic competitiveness.
- The EDC provides economic development leadership for the greater Kandiyohi County area that facilitates business, promotes economic growth and prosperity, and enhances quality of life in the region.

The board's discussion included identifying our geographic area as Willmar Lakes Area versus Kandiyohi County; quality of life being nebulous and should instead be used in marketing materials; international resonates as we have several companies that have an international impact; and the examples being too wordy. It was the board's consensus that they preferred the first example and that it be made into two sentences:

The EDC provides economic development leadership for the Willmar Lakes Area.
That leadership leads to economic growth and prosperity and promotes innovation and international economic competitiveness.

Backman will send the revised Vision Statement to both boards and request feedback.

UNFINISHED BUSINESS—There was no unfinished business.

NEW BUSINESS

2016 budget amendments. Backman reviewed the 2016 budget changes approved by the Joint Operations Board that are in green and blue. Additional recommended changes are highlighted in yellow (see attached). Changes include expenditures for committees that were not previously itemized, increase to the Broadband and Advanced Technology Committee due to the Blandin broadband feasibility grant and a reduction to the Marketing and Public Relations Committee's budget. Backman requested the EDC again advertise in the publication being done by the Minnesota Department of Employment and Economic Development (DEED) Minnesota Partnership at an approximate cost of \$6,400. The ad will include placement on social media banners on Livability.com and is distributed to 25,000 communities.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to approve placing a full-page color ad in the *Minnesota Thriving in the North* publication at a cost of \$6,435.00. All present voted unanimously in favor by roll call.

The proposed budget amendments include a 15% increase to Schmoll's salary. Upon his hiring, Backman was asked to evaluate Schmoll and her work, which he has found to be superior. To accommodate this increase, the amount allocated for an Assistant Director has been reduced. Backman is not convinced the EDC can afford an Assistant Director as he is looking for a balanced budget and utilizing the resources available. Backman will continue to consider the position. Imdieke would want to know what duties would be different for a new Assistant Director. Backman stated the work done by the previous Assistant Director has been divided between he and Schmoll and, at present, he would not advocate for additional staff. Backman noted the Ag Committee feels strongly that there should be a third position and that it should be dedicated to only agriculture. Backman wants the flexibility to assign tasks to staff and the positions to be adaptable. Backman indicated there may be occasions where a contract person could be engaged for specific tasks for committee work. It was the board's consensus to keep staffing at its current level. Backman was asked to review staff's current job descriptions and present any recommended changes at a future board meeting, including a possible title change for Schmoll's position, i.e. Business Development Coordinator or Business Development Manager rather than Specialist.

IT WAS MOVED BY Denis Anderson, SECONDED BY Roger Imdieke, to approve all changes to the budget as presented. All present voted unanimously in favor by roll call.

Establishment of employee benefits. Backman stated previous to this year, the EDC did not have group health insurance. Backman recommends the EDC enroll in a Health Savings Account (HSA) rather than a flex/cafeeteria plan. Backman provided information on an HSA versus a flex plan—two options are available for an HSA—Select Account or through a local bank. Backman requested he receive the full amount approved for health insurance coverage of \$850 and the EDC contribute the difference between the \$850 and his monthly premium to an HSA. If needed, a flex plan could be readdressed in the future.

IT WAS MOVED BY Doug Reese, SECONDED BY Ron Christianson, to approve the Kandiyohi County and City of Willmar Economic Development Commission's enrollment in a Health Savings Account. All present voted unanimously in favor by roll call.

Ratification of Joint Operations Board actions. Chairperson Madsen presented actions taken by the Joint Operations Board that require ratification.

IT WAS MOVED BY Ron Christianson, SECONDED BY Denis Anderson, to ratify the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board action to reduce the amount in reserve for the Entrepreneurs' Loan Guarantee Program to \$58,060. All present voted unanimously in favor by roll call.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Harlan Madsen, to ratify the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board action to approve the amendment to the Revolving Loan Fund Program Manual to add a section for disbursement of funds as follows: The borrower will sign all loan documents before funds are disbursed. Loan funds must be fully disbursed within 90 days from the date the loan is approved by the Joint Operations Board of Directors. All present voted unanimously in favor by roll call.

Schmoll gave an update on Historic 313 on Fourth Street, LLC. Backman stated monthly financial reports are being received from the Preservation Alliance of Minnesota and he has visited the project a couple of times.

IT WAS MOVED BY Denis Anderson, SECONDED BY Doug Reese, to ratify the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board action to defer principal and interest payments by Historic 313 on Fourth Street, LLC through July 2016 and to reamortize the existing balance, including deferred interest, with full payments to begin August 15, 2016. All present voted unanimously in favor by roll call.

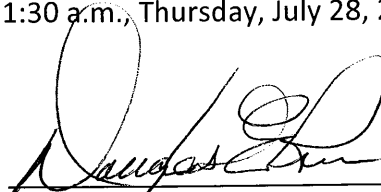
Backman reported Peaceful Thymes Gifts & Garden Center, Inc. has changed its business model several times over the past few years. This board needs to formally approve interest-only payments for the past five months.

IT WAS MOVED BY Harlan Madsen, SECONDED BY Denis Anderson, to ratify the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board action to allow Peaceful Thymes Gifts & Garden Center, Inc. to make interest-only payments on its Revolving Loan Fund loan with the Kandiyohi County and City of Willmar Economic Development Commission from December 2015 through April 2016. All present voted unanimously in favor by roll call.

WORKUP membership. Backman reported loans were approved for 19 students in the KCEO program and he selected two of those students to use the EDC's transferrable memberships at WORKUP. A press release will be done on the students' use of WORKUP.

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:25 p.m.

NEXT MEETING—The next regular board meeting is 11:30 a.m., Thursday, July 28, 2016, at the EDC office.



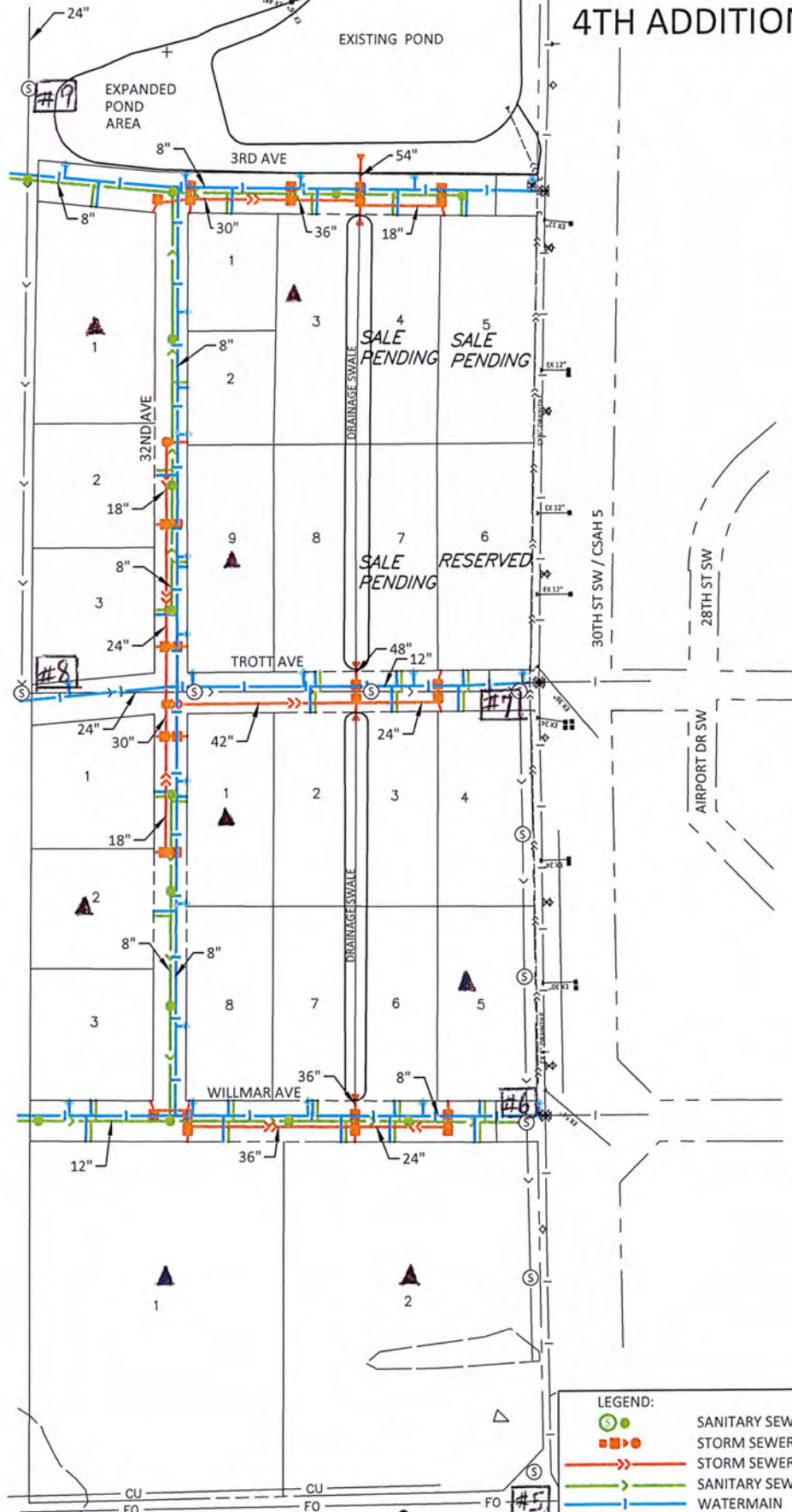
Doug Reese, Secretary

APPROVED: 7/28/2016:



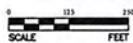
Harlan Madsen, Chairperson

INDUSTRIAL PARK 4TH ADDITION



LEGEND:

- SANITARY SEWER MANHOLE
- STORM SEWER STRUCTURE
- STORM SEWER
- SANITARY SEWER
- WATERMAIN

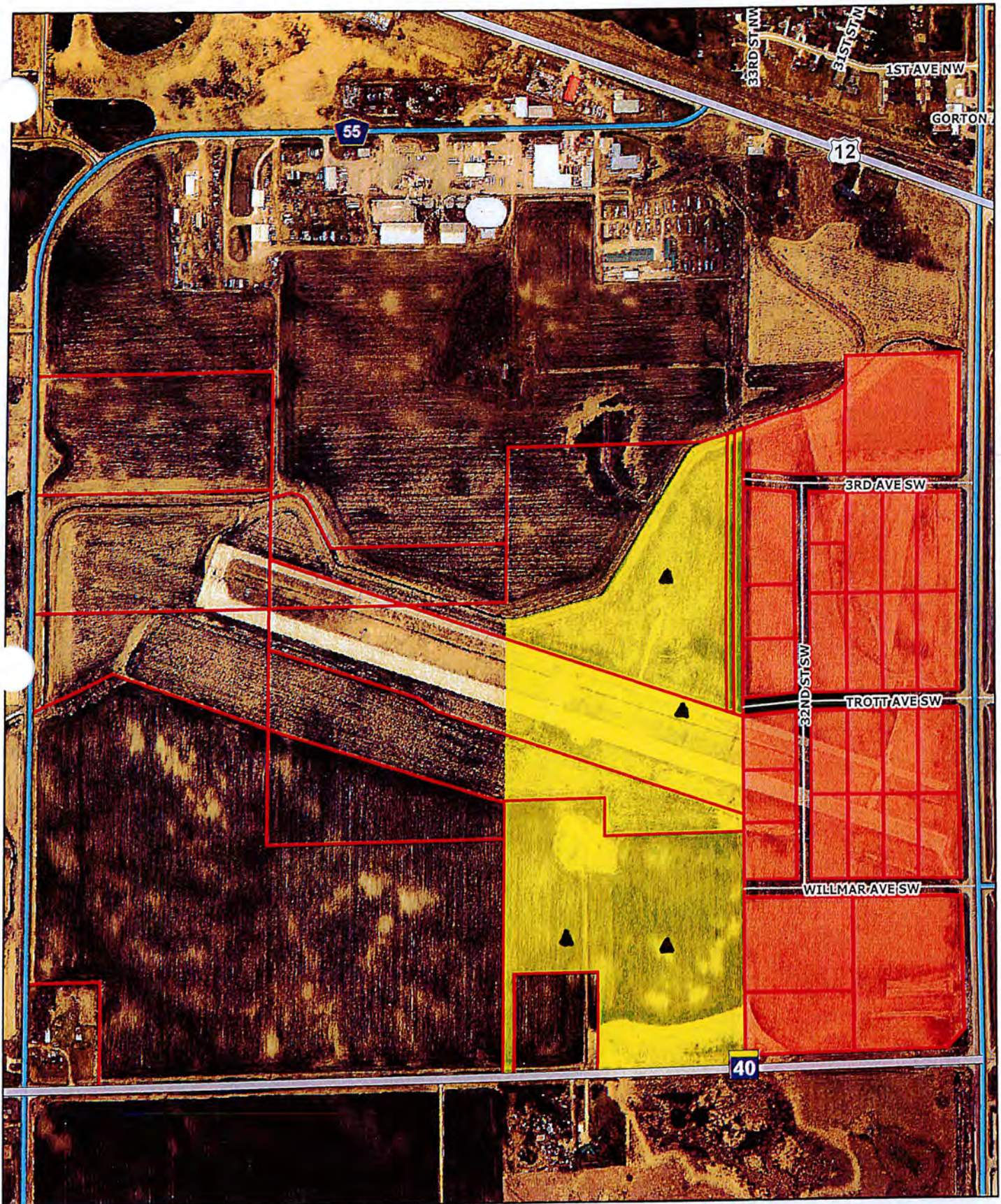


BOLTON & MENK, INC.
Consulting Engineers & Surveyors
MANKATO, MN FAIRMONT, MN SLEEPY EYE, MN BUENOS AIRES, MN WILLMAR, MN
CHASKA, MN RAMSEY, MN MAPLEWOOD, MN BAXTER, MN ROCHESTER, MN
JAMES, IA SPENCER, IA DES MOINES, IA FAIRBANKS, ND

CITY OF WILLMAR, MINNESOTA
INDUSTRIAL PARK 4TH ADDITION
UTILITY MAP

MARCH, 2016

FIGURE NO. 1



Willmar Industrial Park - Survey Areas

Section 17
Willmar Township

Legend

- City of Willmar Parcels
- Proposed Additional Survey Area
- Industrial Park 4th Add Survey Area

Atwater

Business Retention and Expansion Visitation Program

2015-2016





Atwater

Atwater, on the entrance of the Little Crow Lakes region, was first settled in 1857. The township was established with the coming of the railroad in 1869 and the village of Atwater received incorporation in 1876.

Atwater is a small, close-knit community located 13 miles east of Willmar on Highway 12. Atwater may be small, but the amount and variety of businesses and activities will surprise you—a bank, grocery store, Ford dealership, bowling alley, hardware store, chiropractor, dentist, vet clinic and ethanol plant, just to name a few. Not to mention an 18-hole golf course filled with pine trees and beautiful views located on the edge of town.

One special tradition within the community is “Atwater Festival Days.” The entire city and members from surrounding Kandiyohi County communities come together every year on the third weekend in June to celebrate Atwater. Some of the locals’ favorite events include a medallion hunt, garage sales, softball tournament, grand parade, street dance and golf scramble. There really is something for everyone to partake in throughout the six-day celebration!

Atwater is a part of Independent School District No. 2396, otherwise known as ACGC (Atwater-Cosmos-Grove City) Public Schools—Home of the Falcons! They host the ACGC North Elementary School, which is home to preschool-6th grade students. The ACGC High School for students in grades 7-12 is located in Grove City—just 5 miles east of Atwater on Highway 12.

Demographics

2010 Population: **1,133**

2008 Population: **1,026**

Number of Households: **468**

Persons per Household: **2.37**

Labor Force: **584**

Median Household Income: **\$39,265**

Distance from Airports

Minneapolis/St. Paul: **71 miles**

St. Cloud Regional: **66 miles**

Willmar Municipal: **15 miles**

Atwater Business Retention and Expansion Visitation Program

Initiated By:

- Kandiyohi County and City of Willmar Economic Development Commission
- Atwater EDA
- City of Atwater

Project Objectives:

- ✓ **Demonstrate support for local businesses**
- ✓ **Help solve immediate business concerns**
- ✓ **Increase local businesses' ability to compete in the global economy**
- ✓ **Establish and implement a strategic plan for economic development**
- ✓ **Build capacity to sustain growth and development**

Process: October-December 2015

1. Business visits (complete)
 - **Convention · Retail · Tourism · Service Industries (CRTS): 17 businesses**
 - **Manufacturing Industries: 1 business**
2. Analyze survey data, set priorities and identify projects
3. Work on projects, evaluate results, publish reports and decide on BRE continuation

Volunteers

Shane Hagstrom
Barb Lilleberg
Jean Marthaler
Bob Meyerson
Les Nelson

Ranae Rahn
Julie Redepenning
Steve Renquist
Connie Schmoll
Goldie Smith

Business Visits

Atwater Elevator
Atwater Equipment, Inc.
Atwater Feed Mill
Atwater Heating & Air Conditioning
Behm Seed
Borchert Design & Construction
Casey's General Store
Central Minnesota Senior Care, Inc.
Grain Dryer Repair & Service
Hair by Lindsey
Handle Bar LLC
Harvest Bank
Jim Olson Properties
Jiva Massage & Bodywork
Paws Floral
Peaceful Thymes
Ryan Buer Electric, LLC
Vern's Foods

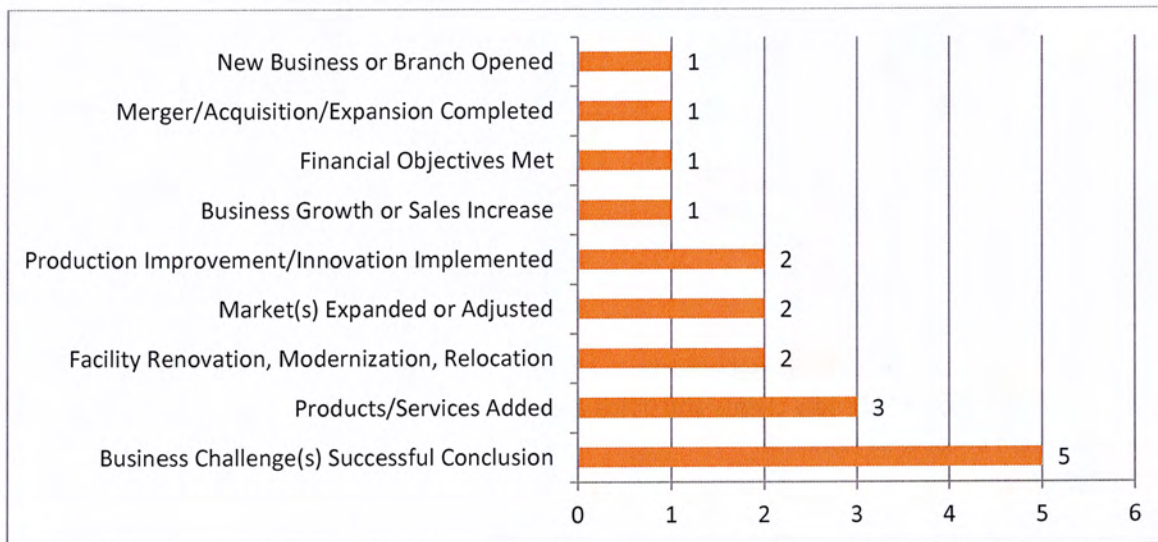
Valoris Anderson
Bruce Baker
Allen Schmidt
Bruce Anderson and Matt Anderson
Myron Behm
Mark Borchert
Natalie Olson
Dawn Frericks
Lee Mickle
Lindsey Barker
Scott Bjornson
Bob Meyerson
Jim Olson
Traci Smith-Nelson
Katie Olson
Elsie Kashmark
Ryan Buer
Keith Passmore

18 Atwater Businesses

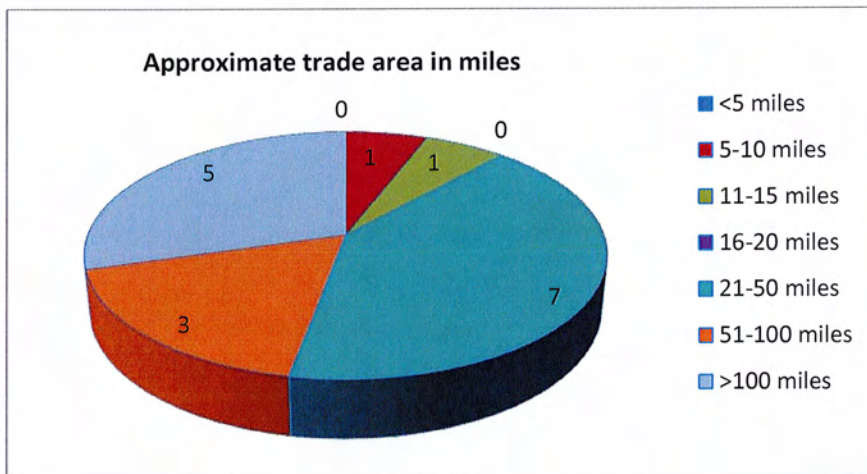
I. Production/Service

Q1-What is your company's greatest achievement in the past three years?

Company's Greatest Achievement

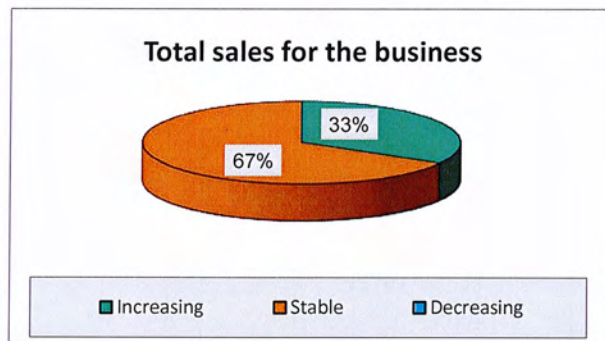


Q2- What is your approximate trade area in miles?



Q3-Are total sales for your business increasing, stable or decreasing?

Total sales for the businesses	
Increasing	5
Stable	8
Decreasing	0



Primary influence for increase in sales

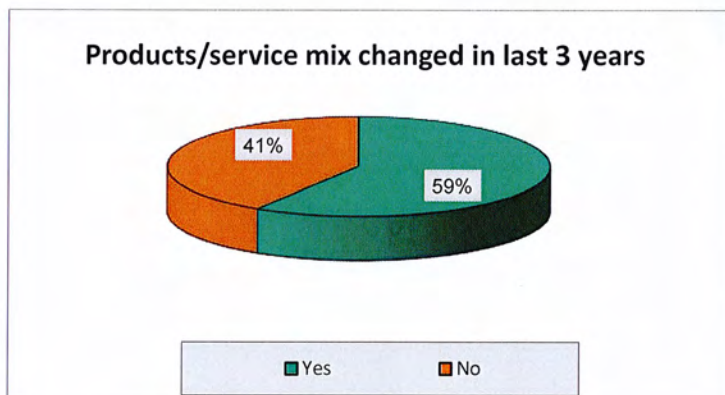
- 1 Promotions for small companion animal services
- 2 Grower relationships; seeking new clients and doing a good job with the product
- 3 Product addition because of remodel
- 4 Staff and customer referrals
- 5 Economy and timing; farmers spent a lot this fall which seemed surprising with crop prices

Primary influence for decrease in sales

- 1 Road construction
- 2 Competitors; less dollars from consumers
- 3 Met building capacity

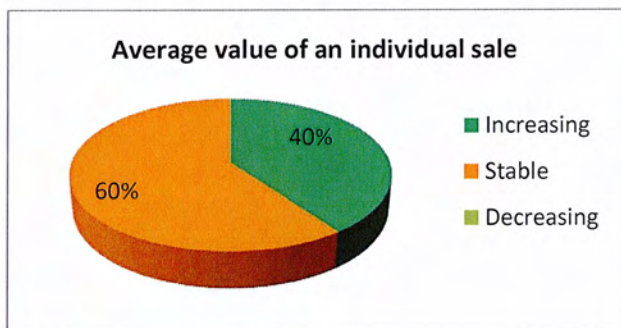
Q4-Has your product/service mix changed in the last 3 years?

Product/service mix changed in last 3 years	
Yes	10
No	7



Q5-Is the average value of an individual sale at this facility increasing, stable or decreasing?

Average value of an individual sale	
Increasing	4
Stable	6
Decreasing	0



What is causing the change?

- 1 The bond between people and their pets
- 2 Increase in costs (staffing, food, utilities)
- 3 Input costs higher and size of machinery bigger
- 4 Jobs are getting bigger
- 5 Supplier prices

Q6-Does the company plan to expand or renovate in the next three years?

Plan to expand or renovate in the next 3 yrs.	
Expand	3
Renovate	1
None	11

Total Estimated Value of Planned Expansions or Renovations: \$410,000

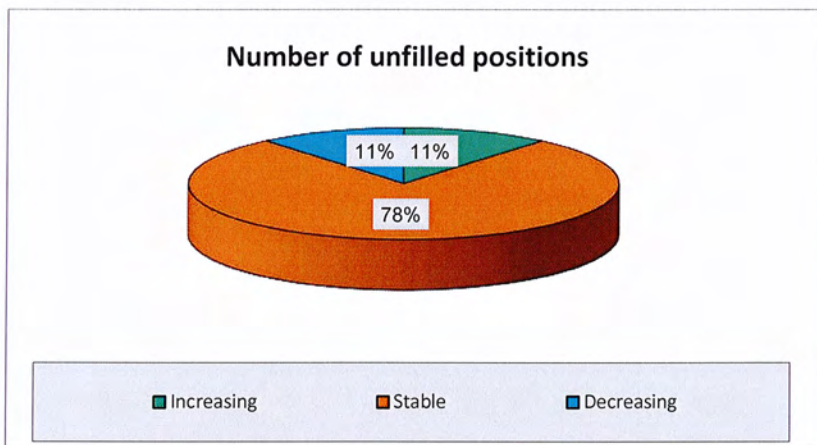
Q7-Is a new location planned in the next two years?

New location(s) planned in next 2 yrs.	
Yes	0
No	16

II. Workforce

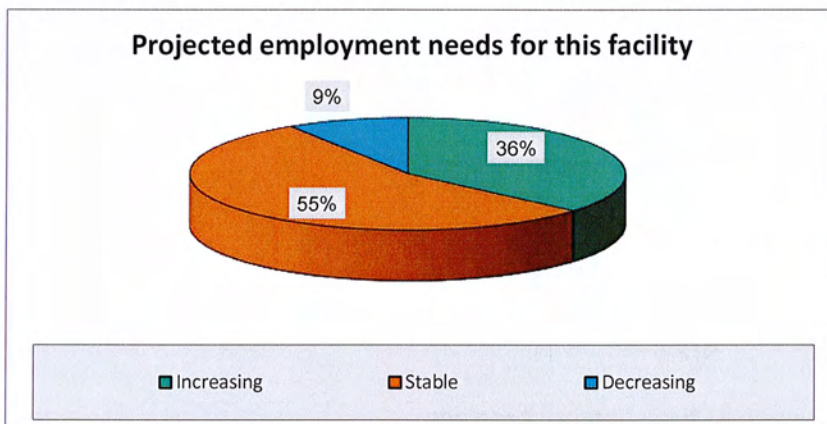
Q8-Is the number of unfilled positions at your facility increasing, stable or decreasing?

Increasing: 1 Stable: 7 Decreasing: 1



Q9-Are the projected employment needs for this facility Increasing, stable or decreasing?

Increasing: 4 Stable: 6 Decreasing: 1



Q10-What positions are difficult to fill?

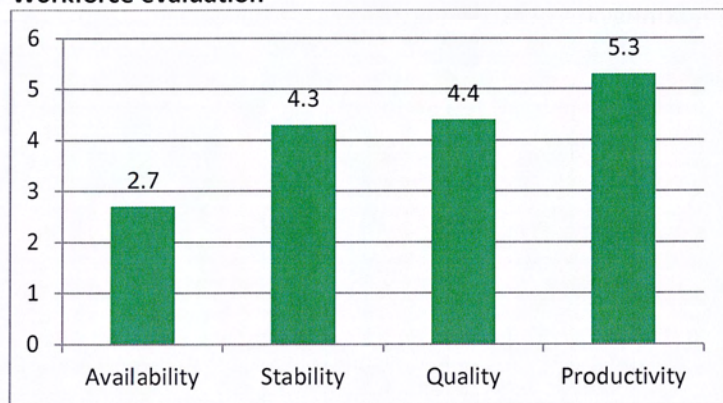
- 1 Outdoor work positions
- 2 Mechanical
- 3 Early morning shift, baking
- 4 Multi-purpose workers; seasonal
- 5 Home healthcare aids
- 6 Cooks
- 7 Bartenders

Q11-What is the average age of employees?

Average age of employees: 40.8

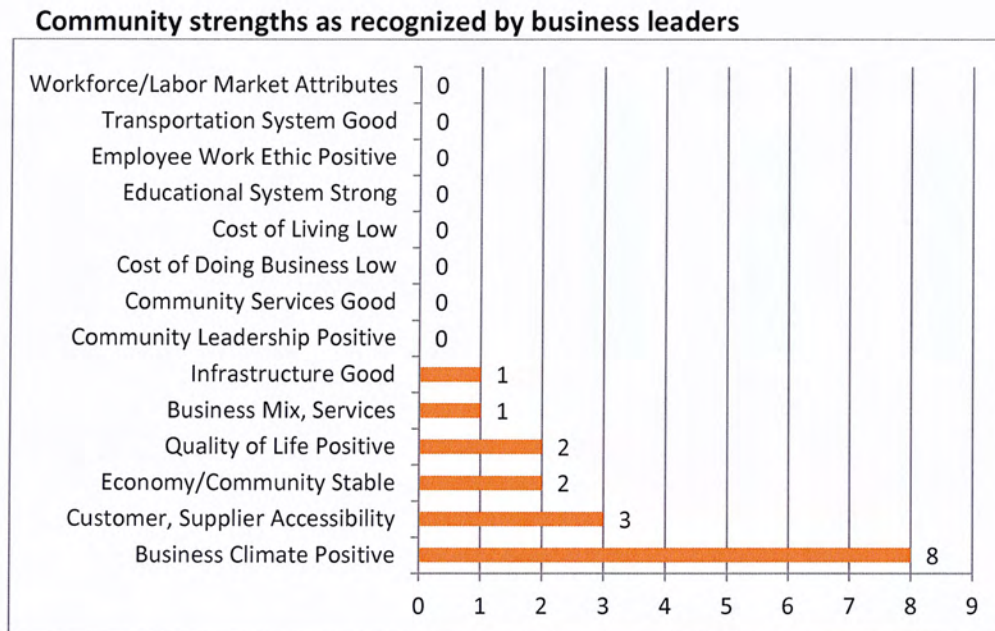
Q12-Please rate workforce on a scale of 1-7, 1 = low 7 = high

Workforce evaluation



III. Community

Q13-What are the community strengths as a place to do business?

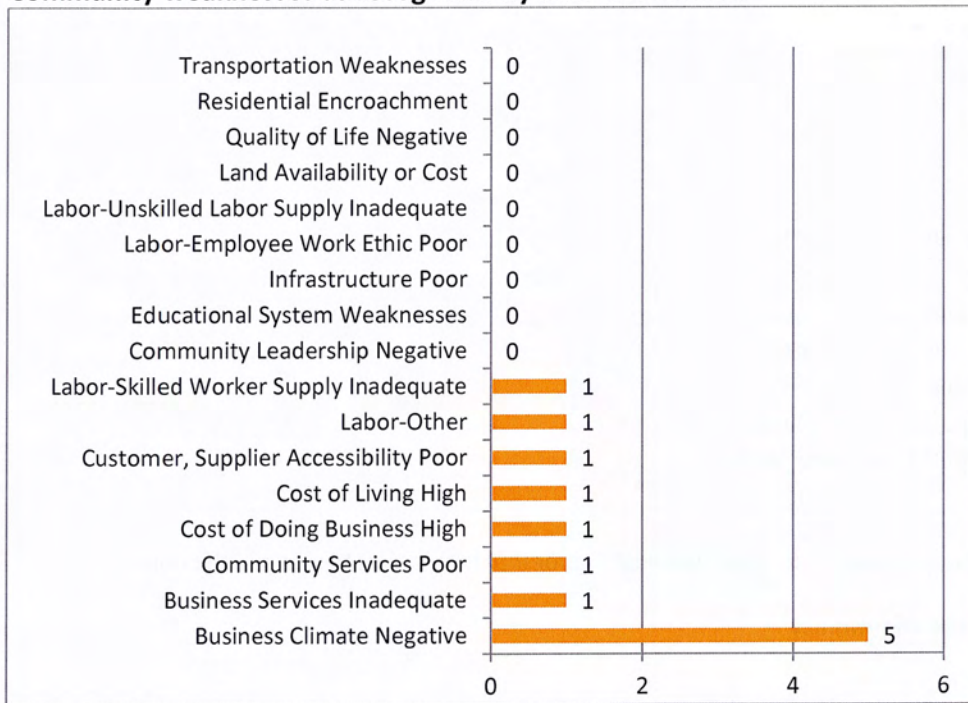


Community Strengths Comments

- 1 Ag economy strong
- 2 Businesses support and utilize each other's product and services
- 3 Centrally located—new road
- 4 Community support; residents patronize the businesses, yet there is competition
- 5 Diversified; residential, ag, commercial. When one sector is slower another is stable
- 6 Everyone knows me/good recommendations
- 7 Good agriculture region—availability of farmers to grow and to sell product to
- 8 No barriers
- 9 No competition/lived here all my life
- 10 Other businesses draw us potential customers
- 11 People "stand behind and support me"
- 12 People are civil
- 13 Rural area
- 14 Small communities tend to reach out to others for health issues
- 15 Strong structure
- 16 Supportive

Q14-What are the community weaknesses as a place to do business?

Community weaknesses as recognized by business leaders



Community Weaknesses Comments

- 1 Availability/grocery store
- 2 Costs of local goods not competitive
- 3 Economic development work to get businesses in town
- 4 Lack of complimentary business, i.e., implement dealer
- 5 Loyalty, commitment
- 6 People
- 7 People in the community not returning calls
- 8 Retirement community not likely to utilize the service
- 9 Taxes local; city tax rate
- 10 Too many opinions
- 11 Work out of town so do other business out of town
- 12 Workforce; lack people with skills and ability to take over the business

Q 15-Have there been any changes in the community or neighborhood impacting your business?

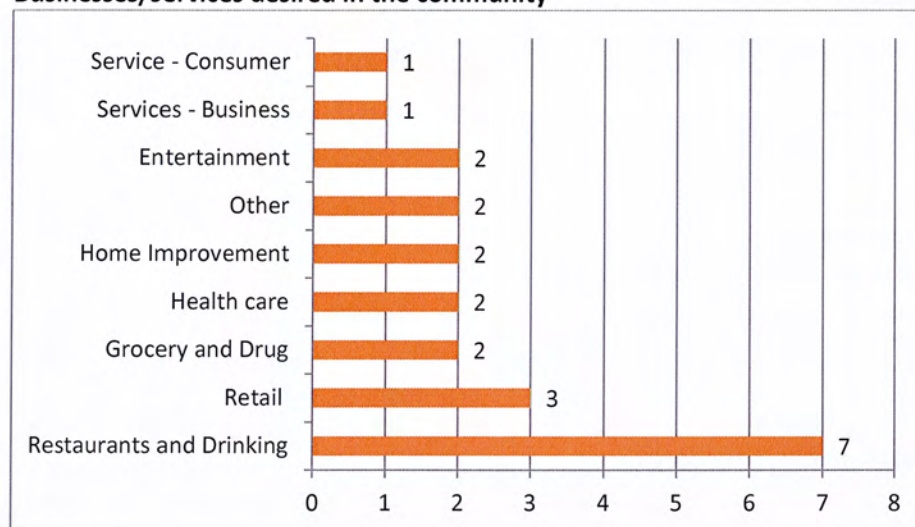
Changes impacting business	
Yes	5
No	10

Comments

- 1 Competition increased for electricians
- 2 Highway 12 project
- 3 Highway 12 closed between Grove City and Atwater
- 4 Lack of competition; I can set my own price
- 5 No longer have senior busing
- 6 Road construction has impacted my business
- 7 Roads; detour on Highway 12 (June to September)

Q16-What type of businesses/products are your customers looking for that they are not finding in the community?

Businesses/services desired in the community



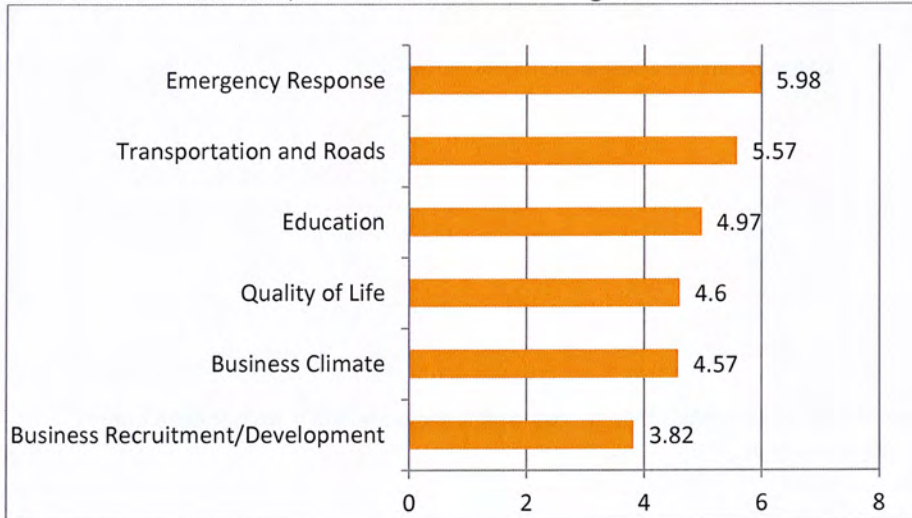
Comments

- | | |
|---------------------------------------|---|
| 1 Auto parts | 12 Healthcare |
| 2 Café | 13 Manufacturing company |
| 3 Coffee Shop | 14 More retail |
| 4 Cranes/high lift equipment services | 15 Movie theater |
| 5 Dentist that accepts Medicare | 16 Pharmacy |
| 6 Dollar Store | 17 Pharmacy—although some companies deliver |
| 7 Exercise | 18 Restaurant |
| 8 Family restaurant | 19 Restaurant |
| 9 Fitness center | 20 Sit down restaurant |
| 10 Gift shop | 21 Swimming pool and tanning bed |
| 11 Good restaurant | 22 Workout facility |

IV. Community Service and Utilities

A. Public Services Satisfaction Report

Q17-Please rate the quality of public services provided for your business
On a scale of 1 to 7, 1 = low satisfaction 7 = high satisfaction



Emergency Response

Ambulance/Paramedic
Fire Protection
Police Protection

Business Recruitment/Development

Chamber
Economic Development
Visitor's Bureau

Education

Community College
Schools K-12
Universities

Quality of Life

Child Care
Health Care
Housing
Spousal Employment

Business Climate

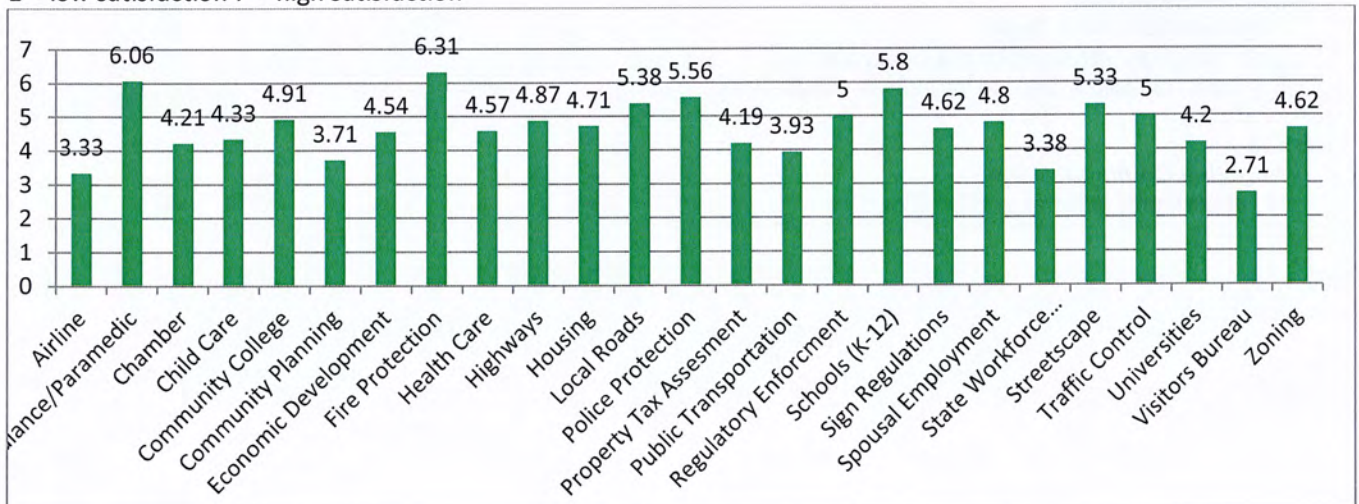
Community Planning
Property Tax Assessment
Regulatory Enforcement
Sign Regulations
Zoning

Transportation/Roads

Airline
Highways
Local Roads
Public Transportation
Streetscapes
Traffic Control

Public Services Satisfaction

1 = low satisfaction 7 = high satisfaction



Public Service Comments

Police

Positive Comment Tone:

Very good for community

Negative Comment Tone:

Takes more time than expected to get response/hard to access during daytime hours

Need more attention during bus loading times

Fire protection

Positive Comment Tone:

Fire Department very fast

Very good for community

Fire Department has fast response

Ambulance

Positive Comment Tone:

The ambulance crew is great. When the tornado came through, the ambulance crew/first responders came through every 3-4 hours to ensure we were okay.

Ambulance very fast

Very good for community size

Ambulance service very fast

Negative Comment Tone:

Slow response times. Willmar Ambulance

Streetscape

Negative Comment Tone:

Need better street maintenance

Highways

Neutral Comment Tone:

Highway (county) not always maintained as well

Highway 12; 4-lane

Traffic control

Neutral Comment Tone:

Controlled traffic (Highway 2/12)

Highway 12 traffic

Public transportation

Negative Comment Tone:

They no longer have senior busing available

Provided, but takes them to Willmar to competitors

Airline

Negative Comment Tone:

No airport; only Willmar and St. Cloud

Healthcare***Negative Comment Tone:***

No clinic

Need a dentist that accepts MA. No local doctors

Spousal employment***Negative Comment Tone:***

A lot of people work out of town

Child care***Negative Comment Tone:***

Lack of availability

Housing***Negative Comment Tone:***

Need more housing and better upkeep

Zoning***Negative Comment Tone:***

Cost of permits is high, if lowered could spur growth

Community Planning***Negative Comment Tone:***

Community planning needs improvement

Things don't get advertised enough

Chamber***Positive Comment Tone:***

Chamber and EDC are progressive and looking for new ideas

Negative Comment Tone:

Chamber not performing

Economic development***Neutral Comment Tone:***

Not enough funds to work with

Visitors' Bureau***Negative Comment Tone:***

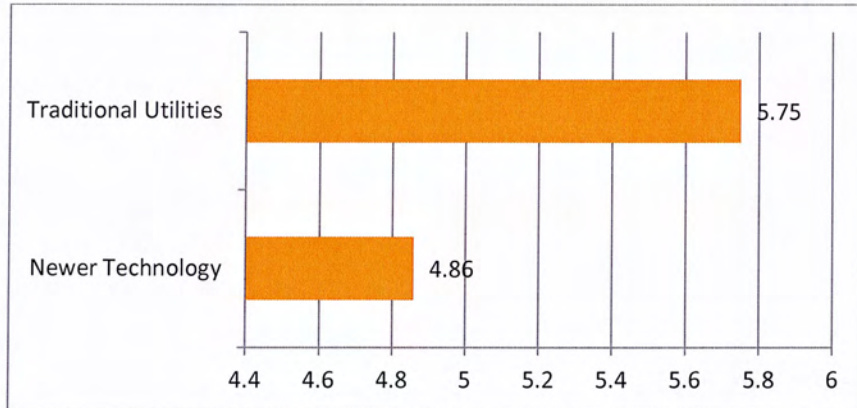
There is none.

Willmar Chamber doesn't promote Atwater; we have a historical society

B. Utility Services Satisfaction Report

Q18-Please rate the quality of utility services provided for your business on a scale of 1 to7.
1 = low satisfaction 7 = high satisfaction

Utility Services Satisfaction



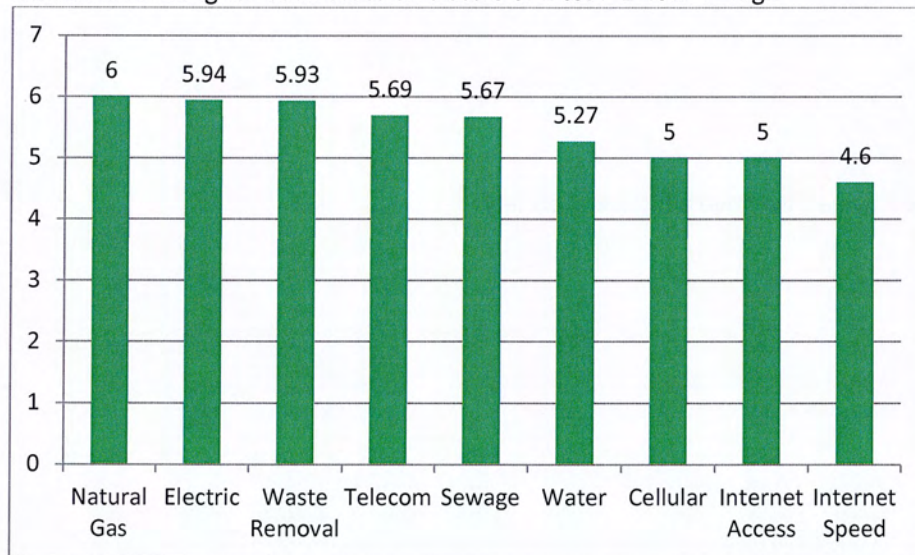
Traditional Utilities

Water
Sewage
Waste Removal
Natural Gas
Electric
Telecom

Newer Technology

Cellular
Internet Access
Internet Speed

Satisfaction rating for businesses on a scale of 1 to7. 1=low 7=high



Water***Positive Comment Tone:***

Quality movement of water

Neutral Comment Tone:

Adequate for community size

Negative Comment Tone:

Paying for it on taxes, but have no access to it

Orange color; rust equipment

Waste Removal***Neutral Comment Tone:***

Adequate for community size

Telecom***Neutral Comment Tone:***

Adequate for community size

Sewer***Negative Comment Tone:***

Paying for it on taxes, but have no access to it

Neutral Comment Tone:

Adequate for community size

Natural Gas***Positive Comment Tone:***

A great service; they came out on a Sunday at no extra charge

Neutral Comment Tone:

Adequate for community size

Cellular***Neutral Comment Tone:***

Adequate for community size

Electric***Neutral Comment Tone:***

Adequate for community size

Negative Comment Tone:

Electric service is expensive

Internet Access***Neutral Comment Tone:***

Adequate for community size

Negative Comment Tone:

Slow

Poor access

Disconnection problems

Internet service is poor

Internet Speed***Neutral Comment Tone:***

Adequate for community size

Negative Comment Tone:

Slow

Speed is poor and unreliable

Internet could be faster



Kandiyohi County & City of Willmar EDC
Spring 2016 Planning Retreat • April 21, 2016
Recent Successes & Issues

	Positive	Less Than Positive
Intended	<ol style="list-style-type: none"> 1) BRE survey 2) Broadband 3) Marketing efforts MN Marketing Partnership, newsletter 4) New Executive Director 5) Willmar Wye 6) Shovel-ready certification of Willmar Industrial Park 7) New business startups 8) TED grant for Meadowstar Dairy 9) Meadowstar Dairy 10) Blandin Foundation grant, Federated Telephone Cooperative and county participation 11) Willmar Industrial Park completion 12) County Housing Study 13) Broadband Feasibility Study 14) Results of BRE and being able to address red flag issues 15) New EDC office and more parking 16) WORKUP 17) Staff 18) TED grant 19) Land feasibility study 20) Meadow Star Dairy 21) New building & parking 22) Support for MinnWest Technology Campus 23) Turkey Research Lab 	<ol style="list-style-type: none"> 1) Broadband 2) BRE implementation 3) Ag Survey 4) Ag Investment group 5) Workforce 6) Marketing 7) BRE Committee--challenges with meeting quorum 8) BRE implementation 9) Startup businesses not doing well 10) Funding for transportation--Highway 23 gaps 11) Ag diversification
Unintended	<ol style="list-style-type: none"> 1) CEO student loan program and program itself; energy of students 2) Turkey Research Lab 3) Willmar Wye rail spur 4) Avian flu increase of business to hotels, restaurants 5) Shovel Ready 	<ol style="list-style-type: none"> 1) CEO loan program fiscal host issues 2) Willmar Wye spur 3) Avian flu 4) Commodity prices 5) Inspirations Book Store closing and loan guarantee future payout 6) Gridlock of legislature 7) Workforce decrease 8) Internal confusion of role of two EDC boards 9) Acoustics at the new office 10) Local politics 11) Funds needed for rail spur



Kandiyohi County & City of Willmar EDC
Spring 2016 Planning Retreat • April 21, 2016
Recent Successes & Issues

Step #1: Write items for your new Vision here.

In five years, we will have developed, delivered & be recognized for... (key phrases)

- International economic competitiveness
- Leadership
- Promotion
- Facilitate & collaborate business relationships
- Regional economic leader
- Quality of life & access to outdoors

Step #2: Write your organization's new Mission here.

We will deliver our Vision by using these ideas & actions: (key phrases)

- Catalyst
- Economic growth & prosperity
- Great Willmar Lakes area
- Provide resources needed to achieve vision
- "Center of the wheel" for collaboration between EDC, City, County, business leaders, etc.

Step #3: Identify between 4 & 6 Priorities.

- 1) Broadband
- 2) Transportation infrastructure & all aspects, including Hwy 23 & rail spur
- 3) Industrial Park
- 4) Expand funding options for businesses
- 5) Public relations & business relations

(Also - Attracting talent, MinnWest Tech Campus & Support Ag-related business development)



**Kandiyohi County & City of Willmar EDC
Spring 2016 Planning Retreat • April 21, 2016
Joint Powers Board & Joint Operations Board**

Session Evaluation

1) What was good & productive about this session?

- Interactive and we got to play cards
- Discussion and ideas on what the Kandiyohi EDC should focus on
- There was good discussion and good facilitation
- I liked the format
- Everyone is providing input and direction
- This was a good exchange of ideas
- This flowed smoothly
- Establishing 5 major goals
- Participation by everyone
- The frank discussions
- The collaborative decision making
- The knowledge and attitude of Mr. Miles
- The open sharing of ideas
- The developed focus
- The free exchange of ideas

2) What was your biggest discovery?

- We agree more than we disagree
- The thoughts from each person were similar but strongly different at times
- We're able to reach consensus
- The different ideas when everyone suggested, but we came together
- The clear mission and visions
- How much alike we all are
- The common goals
- The 5 priorities to implement
- I was interested by the Boards interest in restructuring
- We have more in common than what we may have believed

Kandiyohi County City of Willmar Economic Development Commission

Date Printed: 4/26/2016

2016 Budget

Approved by Joint Powers Board 10/22/2015
Amended by Joint Operations Board 3/10/2016

	2016	Proposed Changes
REVENUES		
County Tax Levy	\$ 477,750	\$ 477,750
Loans		
ELGP loan application fees	\$ 200	\$ 200
Revolving Loan Fund application fees	\$ 250	820
Revolving Loan Fund filing fee reimbursements		80
Revolving Loan Fund repayments interest	\$ 5,088	\$ 6,870
Insurance dividends	\$ 1,300	\$ 1,300
Interest on investments		
Citizens Alliance Bank 36-month CD \$100,000 at 1.05% matures 9/20/2016	\$ -	
Concorde Bank (Revolving Loan Fund savings account)	\$ 100	\$ 100
Heritage Bank savings account	\$ 120	\$ 120
North American State Bank 12-month CD \$103,030.10 at .5% matures 4/14/2016		
North American State Bank 23-month CD \$102,221.82 at 1% matured 2/21/2016		1,983
US Bank CD (Tourism Development Account) at .690% matures 2/20/2018	\$ -	
Blandin Foundation HackFest Grant No. G-2015-04910		10,000
Blandin Foundation HackFest Grant matching contribution by EDC		2,320
Blandin Foundation WiFi Grant No. G-2015-05319		7,722
Blandin Foundation WiFi Grant matching contributions		2,000
Blandin Foundation Broadband Feasibility Study Grant		25,000
Creating Entrepreneurial Opportunitites student loan program		30,000
Other Income		
Reserve Fund	\$ 92,728	\$ 64,286
Refunds and reimbursements	\$ -	
Total Revenues	\$ 577,536	\$ 630,551
EXPENSES		
Revolving Loan Fund Expenses		
Economic Development Community Contributions		
Blandin Foundation HackFest grant partial match		2,320
Blandin Foundation WiFi grant partial match		2,000
Sponsor Fees		
Animal Science Conference	\$ 1,500	2,000
U of M Technology Showcase	\$ 2,000	500
Vision 2040	\$ 2,500	2,500
Other	\$ 1,500	1,500
Total Economic Development Community Contributions	\$ 7,500	10,820
Other Expenses:		
Joint Operations Board (includes meals/administrative time)	\$ 3,000	
Joint Powers Board (includes meals/administrative time)	\$ 1,000	
SCORE (cell phone and email account)	\$ 825	
Other operating expenses	\$ 1,254	
Total Other Expenses	\$ 6,079	6,079
Countywide Business Development		
Creating Entrepreneurial Opportunitites Program (2014-2016)	\$ 1,000	1,000
TIGER II Grant - Willmar Industrial Park	\$ 35,000	35,000
Shovel-Ready Certification Program - Willmar Industrial Park		3,250
Miscellaneous countywide business development	\$ 6,000	6,000
Total Countywide Business Development	\$ 42,000	45,250

Kandiyohi County City of Willmar Economic Development Commission

2016 Budget

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	2016	Proposed Changes
COMMITTEE EXPENSES		
Agriculture and Renewable Energy Development		
Conferences/Seminars/Trainings	\$ 1,800	1,800
Marketing	\$ 200	500
Meals/Meeting Refreshments	\$ 350	1,000
Mileage/Travel	\$ 400	400
Program administration		
Professional Services		
General Administrative Services	\$ 2,500	1,550
Professional Services - Other	\$ 1,000	1,000
Supplies (office or program)	\$ 250	250
Telephone/Telecommunications		
Total Ag Committee Expenses	\$ 6,500	6,500
Broadband and Advanced Technology		
Conferences/Seminars/Trainings		
Feasibility study administration	\$ 2,500	3,500
Feasibility study grant funds to Kandiyohi County		21,500
Marketing	\$ 190	190
Meals/Meeting Refreshments	\$ 1,704	1,200
Mileage/Travel	\$ 26	1,000
Professional Services		
General Administrative Services	\$ 1,080	880
Professional Services - Other	\$ 1,000	1,000
Supplies (office or program)		
Website development grants		
Total Broadband and Advanced Technology Committee Expenses	\$ 6,500	29,270
Business Retention and Expansion/Recruitment		
Conferences/Seminars/Trainings	\$ 1,800	1,050
Marketing	\$ 500	200
Meals	\$ 500	200
Mileage/Travel	\$ 1,000	1,000
Professional services		
General administrative services	\$ 2,500	2,200
Professional services - Other	\$ 2,000	500
Supplies (office or program)	\$ 300	200
Total BRE/R Committee Expenses	\$ 8,600	5,350
Finance		
Conferences/Seminars/Trainings		
Marketing		
Meals		500
Professional services		
General administrative services		650
Legal services		350
Supplies (office or program)		
Total Finance Committee Expenses	\$ 2,000	1,500
Marketing and Public Relations		
Meals		800
Media		1,600
Memberships		
Printing, copying and publishing		8,000
Professional services		
General administrative services		1,600
REDstar Creative		11,000
Professional services - other		
Special projects		2,000
Total Marketing and Public Relations Committee Expenses	\$33,000	25,000
Tourism/Leisure Travel		
CVB Tourism Partnership Agreement	\$ 34,000	34,000
Mileage/Travel		400
Total Tourism/Leisure Travel Committee	\$ 34,000	34,400
Total Committee Expense	\$ 90,600	102,020

Kandiyohi County City of Willmar Economic Development Commission

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2016 Budget

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	2016	Proposed Changes
EMPLOYEE COMPENSATION		
Executive Director		
Director's salary	\$ 85,562	98,000
Director's auto allowance (\$525 per month)	\$ 6,300	-
Director's health insurance (\$850 p/mo.)	\$ 10,200	8,500
Director's payroll taxes (FICA = 6.20%; Medicare = 1.45%)	\$ 6,546	7,497
Director's pension (PERA) employer rate is 7.5%	\$ 6,417	7,350
Total Executive Director's Compensation	\$ 115,025	121,347
Assistant Director		
Assistant Director's salary	\$ 70,669	17,667
Asst Director's health insurance	\$ 10,200	2,250
Asst Director's payroll taxes	\$ 5,406	1,352
Assistant Director's PERA	\$ 5,301	1,325
Total Assistant Director's Compensation	\$ 91,576	22,594
Business Development Specialist's position		
Business Development Specialist's salary	\$ 53,550	61,583
Business Development Specialist's health insurance	\$ 10,200	10,200
Business Development Specialist's payroll taxes	\$ 4,097	4,711
Business Development Specialist's PERA	\$ 4,016	4,619
Total Business Development Specialist's Compensation	\$ 71,863	81,113
Accrued vacation and sick expense		
Executive Director		10,734
Business Development Specialist		4,431
Employee workers' compensation insurance	\$ 896	896
Total other employee compensation	\$ 896	16,061
Total Employee Compensation	\$ 279,360	241,115
ADMINISTRATIVE EXPENSES		
MCIT property/casualty insurance	\$ 2,997	2,997
Meals not for a committee	\$ 2,500	2,500
Memberships, dues, subscriptions		
Subscriptions	\$ 900	400
EDAM membership	\$ 250	310
MAPCED membership	\$ 250	395
Local organizations	\$ 1,850	525
Community Venture Network (CVN)	\$ 2,125	2,125
MN DEED Marketing Partnership dues	\$ 625	625
WORK UP membership 5/2016-5/2017	\$ 5,400	5,400
Moving Expenses Executive Director		874
Professional services:		
Accountant fees	\$ 1,000	1,000
Auditor	\$ 7,000	7,000
Bookkeeping fees	\$ 6,000	6,000
Executive Director search firm		8,727
Legal fees	\$ 2,000	2,000
Seminars and promotions	\$ 2,000	2,000
Travel, conference, school	\$ 10,500	16,800
Total Administrative Expenses	\$ 45,397	59,678

Kandiyohi County City of Willmar Economic Development Commission
2016 Budget

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 Amended by Joint Operations Board 3/10/2016

	2016	Proposed Changes
OFFICE EXPENSES		
Cleaning person	\$ 2,600	2,600
Depreciation - furniture and equipment		
Equipment maintenance and rental		
Software (Synchronist annual fee \$1,200)	\$ 2,000	1,100
Toshiba digital color copier lease	\$ 1,500	1,667
Equipment maintenance and rental - other	\$ 2,250	2,250
Furniture and equipment	\$ 2,000	2,000
Office equipment and miscellaneous	\$ 3,000	3,000
Postage, mailing service	\$ 500	500
Printing, copying and publishing	\$ 2,500	2,500
Professional services:		
General administrative	\$ 57,800	57,800
Planning session facilitator	\$ 1,500	2,220
Website hosting and maintenance	\$ 450	450
Engineering and other professional services		9,500
Rent and storage unit	\$ 22,200	22,200
Rent (water cooler, post office box)	\$ 200	200
Supplies	\$ 4,000	4,000
Telephone/Telecommunications	\$ 7,000	5,880
Other expenses		
Total Office Expenses	\$ 109,500	117,867
BLANDIN WIFI GRANT EXPENSES		
Willmar Civic Center		
Routers (5 @ \$ approximately \$700 each)		3,500
Data service for three years (7 x \$480 x 3)		4,222
Total WiFi Expenses		7,722
BLANDIN HACKFEST GRANT EXPENSES		
Application development		5,500
2016 Hackfest		4,500
IT		
Marketing		
Meals and refreshments		
Meeting space		
Transportation		
Post hackfest events		
Total HackFest Expenses		10,000
CREATING ENTREPRENEURIAL OPPORTUNITIES STUDENT LOAN EXPENSES		30,000
Advertising/Promotions		
Dinner Event and Silent Auction		
Advertising		
Decorations		
Conference Center		
Meals/Meeting refreshments		
Postage		
Supplies		
Other		
Total CEO Loan Expenses		
TOTAL PROGRAM EXPENSES	\$ 580,436	630,551

EDC FOUNDING MEMBERSHIP



WORKUP is a coworking facility started in May of 2015 on the MinnWest Technology Campus in Willmar, Minnesota. Coworking provides shared office space and creates an ecosystem and support network for entrepreneurs, freelancers, consultants and small business owners. The coworking movement nurtures a culture of collaboration, connection and continued learning among its membership and community.

Coworking is escalating quickly around the world as a strategic driver of economic development opportunities. That's because by 2020, more than 40% of the US workforce is expected to be independent workers and entrepreneurs.

The Kandiyohi County & City of Willmar EDC is a founding member of WORKUP and a valuable partner in our monthly entrepreneurial programming. While other economic development organizations have undertaken full management of coworking spaces (ex. Launchpad in Bemidji, MN), our EDC has instead chosen to support WORKUP's efforts in the private sector as a more cost-effective and resource-efficient approach to capturing the economic development advantages of coworking for our community.



WORKUP has hosted the Social Breakfast several times.

EXCERPT FROM WILLMAR'S VISION 2040 REPORT



Goal Two: Strengthen the region's occupational diversity through a strategic mix of workforce training, economic measurement, enhanced career options, and support for entrepreneurs.

2.2.1: Create a coworking space for the region's entrepreneurs, creative class, and free agents.

OUR FOUNDING MEMBERS





WORKUP hosts a variety of events for members. Pictured is a live focus group for Ridgewater College.

WORKUP FIRST YEAR SUCCESS

Coworking is a new concept to our community, so we've invested considerable time and resources exposing people to our facility and culture. It's working, and our membership and programming is growing.

CURRENT MEMBERS: We currently have 26 members. 7 of those members are businesses or organizations with multiple, transferable passes and access to our meeting space.

TARGETED GROWTH: In the next 6 months, we hope to add 8 full time equivalent members. We estimate our capacity at up to 50 members, depending on their type of membership and use of the space.

EVENTS: Since we opened, we've hosted over 25 different events in our space or on campus which were open to WORKUP members and the community at large. Most were free of cost. The EDC was and continues to be visible as a supporter in the first 5 in this list:

- Monthly QUP
- Monthly MEETUP
- Hack₂0 (Hackathon for digital development)
- Taste of WORKUP
- TEDxWillmarLive
- Design Thinking Workshop
- Blogging Workshop
- Social Media Breakfast
- Yoga Classes

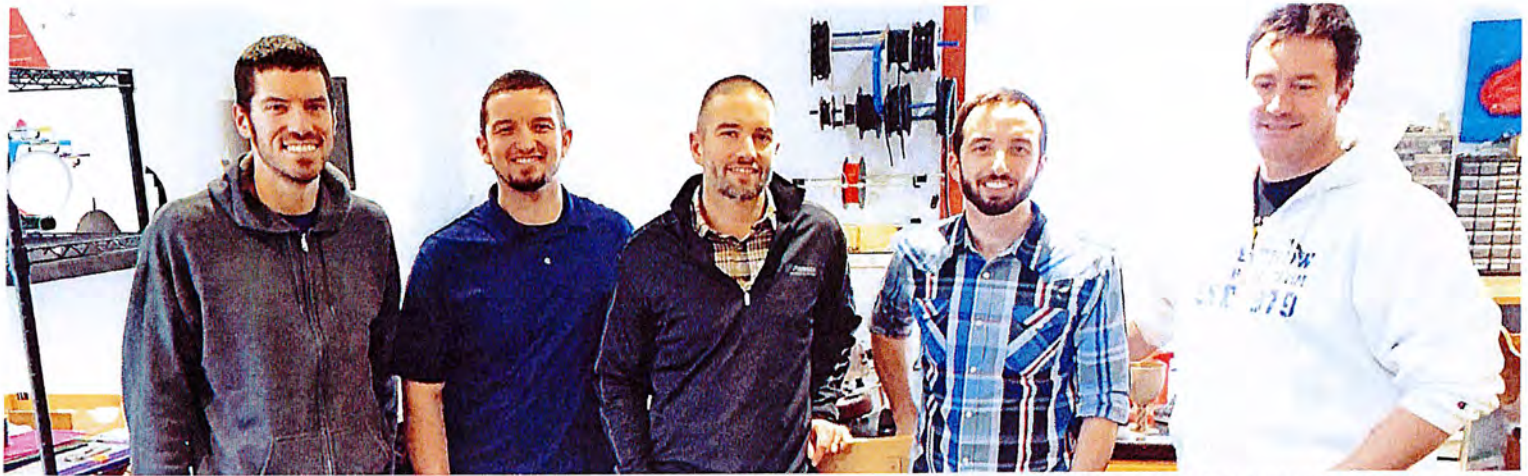
COLLABORATORS: Along with our Founding Members, WORKUP has been actively supporting and collaborating with the Willmar Lakes Area Chamber, Southwest Initiative Foundation, Vision 2040, neXt and the KCEO program.



Our monthly MEETUP invites local entrepreneurs to share their story.



WORKUP's goal is to give Founding Members visibility during our events and within core marketing materials.



This group represents the three local start-ups who participated in our recent Marketing Startup Series.

PROJECTS ON THE HORIZON

We are currently working on an "incubator" style experience for entrepreneurs. It is based on a program we recently tested called "The Marketing Startup Series," a 6-week workshop to help three area startups create a marketing plan. It was a successful pilot and we are currently expanding the concept to be more comprehensive. Part of our success was attributed to the collaborative format, which created community and encouraged peer-to-peer feedback among entrepreneurs with diverse and unique backgrounds.



The atmosphere of collaboration and peer-to-peer sharing was key.

TARTUP BUILDER MEMBERSHIP (in development)

COST: \$TBD/mo

BENEFITS:

An all-inclusive membership which will include the following:

- **6-month WORKUP Membership** with full access to the facilities, amenities and additional programming.
- **6-week "Marketing Plan Builder" Series** (6, 2-hour sessions) held at WORKUP. Roundtable format which encourages sharing and collaborative feedback from participants.
- **6-week "Business Plan Builder" Series** (6, 2-hour sessions) held at WORKUP. Roundtable format which encourages sharing and collaborative feedback from participants.
- **Quickbooks Training** (2 hour sessions) held at WORKUP. Still looking into options and time needed to cover necessary topics.



They were working sessions with lots of discussion.

STARTUP BUILDER WEEKEND (in development)

COST: \$?TBD/person

An all-inclusive, intense weekend workshop held at WORKUP and covering much of the above. The intention is to jumpstart the startup process for area entrepreneurs.



Participants gained in-depth knowledge of each other's products/services.