

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
CORRECTED MINUTES
June 16, 2016
EDC Office, Willmar

Present: Art Benson, Rollie Boll, Donna Boonstra, Gary Gilman and Kelly TerWisscha

Ex Officio: Doug Reese

Excused: Robert Carlson, Linda Kacher and Bruce Peterson

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)

Secretary Gary Gilman called the meeting to order at approximately 12:03 p.m.

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

CONSENT AGENDA—

- Approve:
1. Minutes of May 12, 2016 meeting
 2. Financial reports as of May 31, 2016
 3. Payment of bills
 - a. Invoice from James M. Ruff, Inc. for \$1,614.00
 - b. Invoice No. 0190279 from Bolton & Menk, Inc. for \$2,012.50 from the TIGER Grant line item of the budget
 - c. Invoice No. B059181 from Braun Intertec for \$7,210.00
 - d. Invoice No. EXECUIN17711 from DH Wireless Solutions for \$1,553.08 from the WiFi Grant
 - e. Invoice from Bonnema Surveys Inc. for \$7,593.00
 - f. Invoice No. KCED0416 from REDstar Creative for \$1,300.00
 - g. Central Community Transit for data service of \$1,039.44 (remaining funds from the Blandin WiFi Grant)
 - h. Statement No. 1718486 from West Central Tribune for \$1,020.82 from the Blandin Broadband Feasibility Study funds
 4. Removal of Wes Hompe from the Broadband and Advanced Technology Committee
 5. Repayment of advance from Executive Director \$2,400.00

Accept: Committee/Subcommittee Minutes

1. Agriculture and Renewable Energy Development 3/17/2016
 - a. Agriculture Investment Planning Subcommittee 5/5/2016
2. Broadband and Advanced Technology 5/2/2016
3. Business Retention and Expansion/Recruitment 4/20/2016
4. Marketing and Public Relations 5/23/2016
5. Leisure Travel 5/2/2016

PROGRESS REPORTS

Willmar. Executive Director Aaron Backman reported construction for a mattress business north of Slumberland is moving along; site preparation is being done next to Running's to the north, but the name of the retail development is unconfirmed; the number of building permits is trending well; and Monday afternoon the groundbreaking ceremony for the new Willmar elementary school was held.

Willmar Industrial Park. Backman reported the Shovel-Ready Certification Application was submitted June 7, 2016 to the Minnesota Department of Employment and Economic Development (DEED) and its Florida consultant, John Rhodes. Yesterday, Backman and Bruce Peterson met with Rhodes, who toured the community and the Willmar Industrial Park. Rhodes was very complimentary of the submitted application and indicated he will try to have his recommendation as to certification within two weeks.

BNSF Railway Wye Project. Backman reported the Wye project continues and a new schedule was received—the environmental review process will take months to complete. A partners meeting will be held Thursday, June 23, 2016, in St. Paul to discuss scheduling, scope of the project and potential cost. Backman has had conversations with a couple of businesses that may be interested in a location in the potential Willmar Rail Park. Backman indicated BNSF is suggesting the rail spur come from the north rather than the south.

MinnWest Technology Campus. Backman reported he developed an informational document or flyer on the MinnWest Technology Campus (MWTC) and its features. The Mid-Central Research and Outreach Center (MCROC) is looking at acquiring a DNA sequencing machine, which would be the only one in Greater Minnesota outside of the Mayo Clinic. Backman is working with potential tenants; and he and Connie Schmoll continue to meet with Joanna Schrupp. MWTC has a total of 550,724 square feet with 417,000 sq. ft. being occupied by MWTC, leaving 98,000 sq. ft. available for lease. Backman noted six of the companies on MWTC have well-trained professional staff, including 65 engineers. Schmoll reported EpiTopix states workforce, related to housing, is an issue.

Business Visits and Meetings. Backman attended the Kandiyohi County Creating Entrepreneurial Opportunities student showcase at MWTC; met with West Central Distribution, Ridgewater College and its Customized Training and Continuing Education Department; is working with a prospect that may be interested in the Willmar Industrial Park; attended a tour of the MWTC greenhouse and Historic 313 Food Hub given for the benefit of Senator Al Franken's staff, who were visiting Willmar, followed by a lunch at The Barn Theatre. New tenants at Historic 313 include the Spurs restaurant and a wine and pizza bar.

UNFINISHED BUSINESS

Followup of Strategic Planning Retreat. Backman noted five major priorities resulted from the strategic planning retreat (see attached).

1. Broadband. Schmoll reported the Broadband and Advanced Technology Committee is working with CNE (Communication Network Engineering, Inc.) and the county on completing the broadband feasibility study. A telephone survey of 376 individuals was completed in May and they are now working on mapping the county. CNE updates the county every two weeks on its progress. CTC (Consolidated Telecommunications Cooperative) will be asking the county to enter into a formal agreement as to deployment of broadband in the county. Schmoll will be attending a grant writing seminar to assist CTC in completing the state broadband grant application. The feasibility study will be done in August and the state's grant deadline is October 3, 2016.
2. Transportation Infrastructure. Backman reviewed the benchmarks. In early June, 16 individuals from the area traveled to Washington D.C. to meet with the Federal Highway Administration and elected officials to seek additional funding for the Wye project, County Roads 5/55 overpass and continuation of Highway 23.
3. Industrial Park Development. Backman noted the first action step under 2 has been met with the submission of the Shovel-Ready Application and individuals are working on environmental review and funding components for the Wye project.
4. Expand Funding Options for Businesses. Backman is looking at applying for a \$100,000 United States Department of Agriculture Rural Business Development Grant (RDBG), which requires a local match.
5. Marketing & Public Relations. Backman reviewed the benchmarks. In addition, the EDC is helping to promote the ten-year anniversary of the Willmar Airport to be held September 4, 2016 from 10 a.m. to 3 p.m. It was noted the Willmar City Council voted to terminate the contract with the FBO (fixed base operator) and city staff is handling operations in the interim. The Federal Aviation Administration published in the *National Register* the land release of the former Willmar airport and if there are no comments, the land may be released in July, 2016.

NEW BUSINESS—

Financials. Nancy Birkeland reported Jim Ruff is working on the 2015 audit. Backman noted a 2017 budget timeline was received from the County Auditor today and he will begin working on a proposed 2017 budget and the city of Willmar was billed for its half of the professional fees related to the Shovel-Ready Certification Application.

Report on Federal Transportation Funding/Washington D.C. Trip. Donna Boonstra thanked the board for the opportunity to attend the Washington D.C. trip. In addition to the meetings by the local group, Boonstra also contacted Congressman Collin Peterson's office and arranged a meeting

local group, Boonstra also contacted Congressman Collin Peterson's office and arranged a meeting with his transportation representative, Tamir Elnabarawy. Larry Kleindl, Roger Imdieke and Mel Odens joined the meeting with Elnabarawy. Two representatives of the National Asphalt Pavement Association arranged the meetings the group held with the legislators. Bob Mathiason was the lead for the group at meetings with representatives of Senator Franken's office, Senator Amy Klobuchar's office, Rep. Tom Emmer and a lunch with ^{Rep.} Senator Peterson. The group's goal was to ask that two ^{sections of Highway 23 between New London and St. Cloud} local highways be designated on the national transportation map as critical freight highways, which allows them to apply for federal grants. Backman recognized Jason Duininck, who is a member of the National Asphalt Pavement Association board, who connected that office with the meetings. Separate conversations were also held with the representatives on the Willmar Wye. Mathiason had a committee meeting with Representative Dave Baker yesterday and presented information from the Washington D.C. trip. A letter of support will be presented to Rep. Peterson. There was also contact with the Minnesota Department of Transportation.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development. Rollie Boll reported the committee met this morning. Schmoll reported the committee finalized its 2016 goals, which include the Ag Investment group and an Ag survey. Nine of 13 interested investors attended the meeting held to form a local Ag investment group and discussed reimbursement of the seed money given by the EDC. Planning for another Ag producers survey will be done in mid-2016 for 2017. Hanson Silo Company has an open house today from 12 to 7 p.m. celebrating its 100 years in business and Meadowstar Dairy will have an open house on June 30 from 4 to 7 p.m.

Broadband and Advanced Technology. Schmoll reported there is \$35 million available through the state broadband grant. The committee will be obtaining letters of support for its state grant application and they will continue meeting to develop an agreement between the county and CTC.

Business Retention and Expansion/Recruitment. Backman indicated the committee did not meet, but some members attended the Franken staff tour, which occurred on the normal meeting day.

Marketing and Public Relations. Backman stated the committee is or will be developing brochures and marketing materials for the Willmar Industrial Park and MWTC.

Leisure Travel. Backman stated the last meeting was held at Stonewall Farms, an event center for destination weddings. They partner with other organizations for food and beverages; 50% of their business is from outside Minnesota from the coastal areas, 25% is from the area and 25% is from the Twin Cities area. They have plans for future development of the event center and property.

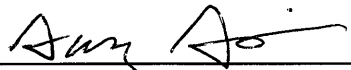
Other. Schmoll reported the EDAM (Economic Development Association of Minnesota) Conference was an excellent networking opportunity to meet with other communities and to attend several workshops, round table discussions and tours of the Duluth area. One workshop she attended was on how to work with millennials, which she would like to bring to the area. Backman and Schmoll reported they will be attending the quarterly meeting of the Minnesota Association of Professional County Economic Developers in Isle, Minnesota, tomorrow. Gilman reported on redevelopment of downtown Bismark, North Dakota.

NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, July 14, 2016**, in the EDC's board room, 222 20th Street SE, Willmar.

ADJOURNMENT—There being no further business,

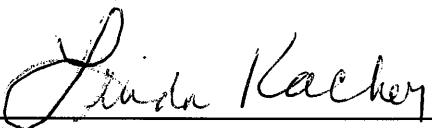
IT WAS MOVED, SECONDED AND CARRIED to adjourn the meeting.

The meeting was adjourned at approximately 1:10 p.m.

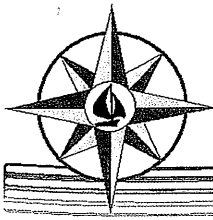


Gary Gilman, Secretary

APPROVED: 7/14/2016:

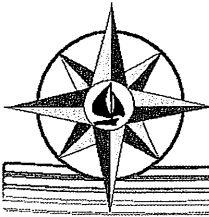


Linda Kacher
Vice President



**Kandiyohi County & City of Willmar EDC
Spring 2016 Planning Retreat • April 21, 2016
Session Results**

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Kandiyohi County & City of Willmar EDC 2016 Plan

Benchmarks: Broadband

1) What do we want to accomplish? (*New Goal*)

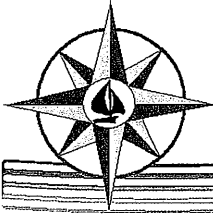
Expand a robust high-speed broadband network, utilizing fiber to the premise (FTTP) networks wherever possible and a mix of other communication technologies where fiber is not possible, to attain broadband access to every home, farm and business in Kandiyohi County.

2) What should be done to begin? (*Data Needed or Action Steps*)

- Complete the Kandiyohi County Broadband Feasibility Study.
- Continue to identify specific needs for broadband access and speed including current and future communication needs.
- Advocate for state and federal legislative action that secures helpful policies and adequate funding to support robust high-speed broadband development.
- Identify and secure funding sources to proceed with implementation of broadband in Kandiyohi County.
- Secure partnership with one or more broadband provider(s) to move forward with broadband network deployment in Kandiyohi County.

3) What should we see happening w/in 90 days? (*Benchmarks*)

- Completion of the Kandiyohi County Broadband Feasibility Study and a full report provided to the Kandiyohi County Board of Commissioners.
- A provider or providers will begin planning for a shovel-ready broadband deployment project for Kandiyohi County.
- A grant writer will be secured to begin to draft a Border to Border grant application.



Kandiyohi County & City of Willmar EDC 2016 Plan **Benchmarks: Transportation Infrastructure**

1) What do we want to accomplish? (*New Goal*)

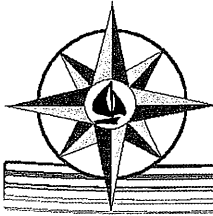
- Completion of MN Hwy 23 four-lane corridor between St. Cloud and Willmar; including the two gaps north of New London by 2024.
- Implementation of the Railroad Wye on the west side of Willmar bypassing the downtown and installation of rail spur to Willmar Rail Park by 2020.
- Improvements to US Hwy 12 in Willmar, inc. the realignment for the Wye project and enhancements to Hwy 12 thru Downtown Willmar.
- Increase operations at Willmar Municipal Airport by 25% by 2020.

2) What should be done to begin? (*Data Needed or Action Steps*)

- Work with MnDOT, City, County, BNSF & other stakeholders to help facilitate the process; Travel to St. Paul and other locations as needed.
- Explore funding options for undertaking the rail spur project, inc. state funding such as Greater MN Business Development Public Infrastructure (BDPI) or Transportation Economic Development (TED) grants, and federal funding such Economic Development Administration (EDA) Public Works and Economic Adjustment grants.
- Make investments in support of long-term, collaborative regional approaches, such as being active in the Hwy 23 Corridor Group.
- Recruit business prospects interested in locating at Willmar airport or industrial park.

3) What should we see happening w/in 90 days? (*Benchmarks*)

- Interact with the Railroad Wye stakeholders to understand the parameters and timelines of the project, funding needs, and what additional funding may be required; pursue funding on behalf of City as needed.
- In early June a group of 16 area reps will be flying to D.C. to meet with FHA and elected officials to seek additional federal funding for the Wye project, CR5/55 overpass, Hwy 23, etc.
- Continue discussions with business prospects regarding the status of the Railroad Wye Project and rail spur.



Kandiyohi County & City of Willmar EDC 2016 Plan **Benchmarks: Industrial Park Development**

1) What do we want to accomplish? (*New Goal*)

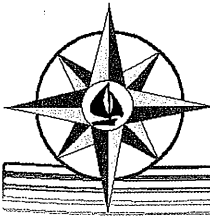
- Sell one-third of all buildable lots in the Third and Fourth Additions of the Willmar Industrial Park by 2020 and have facilities constructed on those lots within 18 months of sale.
- Prepare development and finance plans for the proposed Willmar Rail Park by 2019.
- Identify potential sites and seek City Council approvals to establish a new industrial park in the City of New London and/or City of Spicer by 2017.

2) What should be done to begin? (*Data Needed or Action Steps*)

- Complete State of MN Shovel-Ready Certification Program for Fourth Addition of the Willmar Industrial Park by July of 2016.
- Develop marketing plan and materials for Willmar Industrial Park by October of 2016.
- Seek BNSF Shovel Ready Certification for the Willmar Rail Park by the end of 2020.
- Work with Regional Econ. Dev. Mgr. for BNSF to market the availability of railroad-served industrial park to industry; and continue to work with prospects in Minnesota interested in rail access.
- Support additional funding for rail and road components of Railroad Wye & Rail Park.
- Assist cities outside of Willmar to review and inventory their industrial properties, and to assess options to expand their industrial parks.

3) What should we see happening w/in 90 days? (*Benchmarks*)

- Ensure that contractors complete Phase I Environmental Site Assessment (ESA) report, Geotechnical report, and final ALTA Survey by the end of May 2016.
- Fill out and submit Shovel-Ready Certification application to DEED by mid-June 2016.
- Working with City staff, continue to refine layout options for the proposed Willmar Rail Park.
- Introduce Marketing Committee to industrial park marketing needs; and develop marketing pieces.
- Review Willmar Wye schedule; participate in weekly Wye Partners conference calls; and support the implementation of the railroad bypass project.



Kandiyohi County & City of Willmar EDC 2016 Plan Benchmarks: Expand Funding Options for Businesses

1) What do we want to accomplish? (*New Goal*)

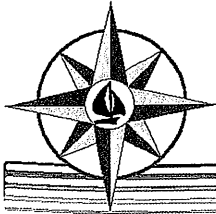
- Expand funding options for local businesses and entrepreneurs.

2) What should be done to begin? (*Data Needed or Action Steps*)

- Collect details about the funding options that are currently available to businesses and entrepreneurs in the Willmar lakes area.
- Research and pursue additional loan funds to expand the EDC portfolio for small business financing.
- Research and seek advice on appropriate and effective guarantee level for business gap funding provided by the EDC.
- Continue the planning process for an Ag Investment Group.

3) What should we see happening w/in 90 days? (*Benchmarks*)

- A list of current local funding options will be created and available for distribution as needed.
- An application seeking up to \$100,000 will be created to pursue a Rural Business Development Grant (RBDG) through USDA. The grant will require an \$30,000 match from the EDC. This new \$130,000 revolving loan fund would be used to assist small and emerging businesses with less than 50 new employees and less than \$1 million in revenues.
- A final decision will be reached about the level of guarantee the EDC will provide for the Loan Guarantee Program.
- Local investors will have secured funds and enlisted a consultant for forming the Ag Investment Group.



Kandiyohi County & City of Willmar EDC 2016 Plan **Benchmarks: Marketing & Public Relations**

1) What do we want to accomplish? (*New Goal*)

- Maintain strong public relations with business and community representatives of the Willmar Lakes area.

2) What should be done to begin? (*Data Needed or Action Steps*)

- Conduct regular visits with local manufacturing businesses, retail and service industries, workforce and education representatives and government officials to identify critical needs and offer assistance as appropriate.
- Market the EDC through the EDC's website, newsletter and social media sites; local cable TV channels, newspapers and radio; and by placing news items in the Chamber Advantage.
- Collaborate with MinnWest Technology Campus for targeted business recruitment events and activities, including joint membership with Community Venture Network (CVN).
- Support efforts to develop, engage, expand and promote WORKUP, a co-working facility, and the Mid-Central Research and Outreach Center (MCROC), a regional Extension Office for the University of Minnesota and a bio-science research laboratory.

3) What should we see happening w/in 90 days? (*Benchmarks*)

- Successful completion of the shovel-ready certification Application, and once approved by the State of MN, incorporate the designation on the EDC's website and marketing pieces.
- As broadband milestones are met, issue press releases and hold press events.
- Participate in monthly the radio program, "Open Mic" on radio station KWLM.
- Participate in the Ag & Animal Science Conference at MinnWest Technology Campus, including setting up an EDC Agriculture and Renewable Energy Committee booth.