

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
August 8, 2019
EDC Board Room, Willmar**

Present: Art Benson, Rollie Boll, Donna Boonstra, Jesse Gislason, Les Heitke, Kerry Johnson and Kelly TerWisscha

Ex Officio: Dave Ramstad, Ph.D., Director, Willmar Planning and Development Services

Excused: Roger Imdieke

Guest: Sarah Swedburg, Willmar City Planner

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

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

President Kelly TerWisscha called the meeting to order at approximately 11:10 a.m. and declared a quorum was present.

AGENDA—Added to the Consent Agenda under Approve was item 5, payment of \$2,198.98 to REDstar for the July invoice and item 6, reimbursement of \$1,650.05 to Patina Marquet from the Retail Business Design Workshop funds.

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to approve the Agenda and revised Consent Agenda. MOTION CARRIED with Kelly TerWisscha abstaining.

CONSENT AGENDA—

- Approve:
1. Minutes of July 11, 2019 meeting;
 2. Financial reports as of July 31, 2019
 3. Payment of \$1,600 to Rustic Designs Flower Farm from the Retail Business Design Workshop funds for additional marketing assistance
 4. Disbursement of \$22,550 upon receipt of the grant payment from the USDA for Simply Shrimp as follows: \$7,000 to TerWisscha Construction, Inc. for Invoice No. TWC 20614; \$8,504 to Christianson for Invoice No. 100372; and \$7,046 to Simply Shrimp
 5. Payment of \$2,198.98 to REDstar for the July invoice
 6. Reimbursement of \$1,650.05 to Patina Marquet from the Retail Business Design Workshop funds
- Accept:
- Committee/Subcommittee Minutes
 1. Agriculture and Renewable Energy Development 6/20/2019
 - a. Ag Industrial Hemp Subcommittee 6/17/2019

2. Broadband and Advanced Technology 7/1/2019
3. Business Retention and Expansion/Recruitment 6/7/2019
4. Finance 5/21/2019

UNFINISHED BUSINESS

Auditor Selected by Joint Powers Board. Aaron Backman informed the board that the Joint Powers Board selected the audit proposal by Westberg Eischens upon the recommendation of Backman, Vice President Kerry Johnson and Nancy Birkeland, who interviewed the two firms that responded to the request for proposal. The audit will begin this month.

2020 Budget. Backman informed the board that the Joint Powers Board approved the 2020 budget as proposed by the Joint Operations Board.

NEW BUSINESS

Golden Shovel Opportunity Zone Marketing Proposal. Backman reported there are 128 census tracts in Minnesota designated as Opportunity Zones with one being in Kandiyohi County in the downtown Willmar area. To take full advantage of the program, Backman stated investments should be initiated in 2019 as after 2019, capital gain levels start decreasing. EDC staff does not have time to dedicate to marketing Willmar's Opportunity Zone; thus, a proposal was obtained from Golden Shovel to do this marketing at a cost of \$18,500 (see attached). Sarah Swedburg stated Willmar Main Street is willing to contribute \$5,000 to the total cost and Backman recommended the EDC contribute \$13,500 from its unreserved funds. Discussion was held on marketing successes in other areas of Minnesota. Backman noted the largest activity has been in the Twin Cities metro areas. Connie Schmoll stated Minnesota continues to hold training seminars on the program. Golden Shovel's proposal, includes developing a landing page on the EDC's website. Schmoll indicated she would contact and send the materials to the site selectors she met with in North Carolina, if the web page is developed and the local program marketed. There has been no formal process to notify property owners of the program, but the properties must be sold to a developer in order to qualify. Backman has had discussions with Willmar City Council members. Backman stated the Joint Powers Board considered the proposal and as it was a tie vote, the proposal was not approved. A suggestion from the Joint Powers Board was to get participation by the City of Willmar. Board members requested additional information on how other areas are doing in their investments.

IT WAS MOVED BY Les Heitke, SECONDED BY Donna Boonstra, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission's (EDC) Joint Powers Board that it accept the proposal of Golden Shovel to market the Opportunity Zone in Willmar at a total cost of \$18,500, contingent upon Willmar Main Street contributing \$5,000 and that there be a response from Willmar Main Street and the EDC's Joint Powers Board by September 23, 2019. MOTION CARRIED.

Backman will communicate this board's decision to the Joint Powers Board indicating this board looked at the proposal as a broader marketing strategy. Swedburg has discussed with the Willmar Main Street board their role in key partnerships. Dave Ramstad stated the contribution by Willmar

Main Street will need to be brought from Willmar Main Street to the Willmar City Council for approval.

EDC Telephone System. Backman informed the board that the EDC's telephone system would no longer accept voice mails and it was discovered that the main board had failed; thus, a new phone system was purchased and installed with the approval of the Joint Powers Board.

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Backman reported work is proceeding on the Ziegler project with two buildings being under construction; Ziegler will add 25 new employees. Backman toured 15th Street Flats and it looks very nice; they are currently landscaping and should be completed this month. The Kandiyohi County Housing and Redevelopment Authority is screening and qualifying applications—80 households applied for 47 units—to begin occupying the facility in September. Backman met with Jon Vornholt, manager of the Kandi Mall, where discussion included the Kohl's construction—there will be a soft opening on September 28, 2019—the manager is relocating from Fargo. Ramstad reported the Herzog TIF agreement will go to committee on Monday and the note will be developed shortly thereafter; construction will begin in late August and completed in 2020. Ramstad reported the City of Willmar is on schedule to adopt the National Flood Insurance Program, which will affect five to seven homeowners and allow them to obtain flood insurance. Backman reported on the natural gas line extension into the Willmar Industrial Park 4th Addition (see his report).

Backman reported on meetings with Epitopix and its desire for to connect with the City of Willmar's sanitary sewer service. Backman showed two options for extension of the sanitary sewer service and an option for extension of the water main. It is anticipated that 50% of the funding will be from a grant and 50% by Epitopix and the City of Willmar. Applications with the state have deadlines. The EDC will help prepare the state infrastructure grant application that is due September 6th. Epitopix has provided a letter of support for the grant application in which it states it intends to invest as much as \$20 million to expand its operations in Willmar and add 15 technical high-wage jobs over the next five years. Backman, Ramstad and Swedburg presented the proposal to the Willmar City Planning Commission, which was supportive of the city of Willmar approving the grant application. The city has had internal discussions with staff about annexing the property. Schmoll reported she spoke with Donavon Monson, chair of the Willmar Township board, who did not have any objections to the possibility of annexation, but noted the Township Board would need to approve the request. It was noted BNSF Railway has 42 acres in the area that will be transferred to Kandiyohi County in May 2020 as a part of the Wye project. Mel Odens is supportive of the annexation and stated there are two other parcels near the airport that could be annexed. The city of Willmar will reach out to Willmar Township and the landowners regarding annexation. The grant application does not require annexation, but a plan must be in place and allows the city to do long-range planning.

IT WAS MOVED BY Les Heitke, SECONDED BY Rollie Boll, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board that it support a state infrastructure grant application by the City of Willmar to extend sewer and water to Epitopix, if the contiguous property is annexed into the City of Willmar. MOTION CARRIED.

STRATEGIC PRIORITY AREAS

Agricultural Innovation. Schmoll reported the Partners in Ag Innovation conference was held August 1st with 115 attending. It was felt that it was a great event, but there was not enough time to network. Congressman Collin Peterson unexpectedly appeared at the conference. Keynote speaker was Darin Newsom on Market Rules for Ag Opportunities and Bethleen McCall of Colorado spoke on industrial hemp. It is believed this conference is one of the best held in the community.

Broadband. Schmoll reported the contract with Compass was signed. It will start its study next week and it is anticipated a state grant application will be applied for next year. Midco requested a letter of support for its project in the cities of Blomkest, Lake Lillian and Prinsburg and contiguous areas. Meeker Cooperative is installing broadband in the east end of Kandiyohi County.

Business Support and Workforce Development. Schmoll reported the Business Retention and Expansion/Recruitment (BRE) Committee is working with Torry Norling on a community video, a preview of which will be viewed by the BRE and Marketing and Public Relations Committees at their next meetings.

Workforce Development. Backman continues to speak with Ridgewater College on grant programs for new studies and has had interactions as to the Job Fair to be held in September.

Rural Child Care Innovation Program. Schmoll reported a wall breaking ceremony for the Spicer YMCA childcare center was held. The center continues to raise funds. The EDC contributed \$900 to Ridgewater College for its introduction to childcare class to start in September. Credit classes will begin in January 2020. Scholarships are available for both classes. Schmoll stated the Willmar Child Care Center is moving forward and Jennie-O Turkey Store will contribute funds toward its playground.

Highway 23 Coalition Update. Donna Boonstra reported the general membership meeting will be held in October at Prairie's Edge Casino Resort in Granite Falls. Governor Walz has been invited, but it is unknown if he will attend. Backman reported additional units of government have joined the Coalition with Sauk Rapids being the 15th member city. Presentations will be made to Sartell and Pine County. Renville County and the City of Spicer have renewed for 2020. The Coalition is still discussing how to approach Superior, Wisconsin, and Sioux Falls, South Dakota, to become members.

[Kerry Johnson was excused from the meeting.]

Business Visits and Meetings. Schmoll reported Clean Energy Resource Teams has seed monies for clean energy projects. Backman met with Scott Wallner, toured the Jefferson Learning Center and met with Ann Trochlil on workforce programs. He attended the Chamber Connection at Magnum where a couple of staff from Fargo were present. Backman and Joanna Schrupp met with a couple of Community Venture business prospects, one a sterilization company looking at MinnWest Technology Campus and a bioscience company from Minnetonka that has looked at four other cities. Schmoll announced the Willmar Lakes Area Chamber of Commerce is hosting a training on the new Minnesota wage theft law on August 15 and an active shooter preparedness training on August 27. Schmoll gave an update on four businesses that were approved to receive additional funding from the Retail Business Design Workshops (see her report). President TerWisscha suggested tracking success stories from those businesses. Schmoll stated some funds remain and could be used by another business.

COMMITTEE REPORTS


Agriculture and Renewable Energy Development. Schmoll reported she and two members of the Industrial Hemp Exploratory Subcommittee attended Farmfest yesterday, including the session with U.S. Agriculture Secretary Sonny Perdue. Also at Farmfest were Todd Matthewson of Just Biofiber, Congressman Collin Peterson and state legislators. The subcommittee's goal is to have a fiber processing facility, which will take approximately two years to construct. The Agriculture Utilization Research Institute (AURI) is partnering with the EDC on this subcommittee. The AURI recently bought a decorticator, a machine that extracts fiber and hurd from hemp stalks for research purposes.

NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, September 12, 2019**, at the EDC Office, Willmar.

ADJOURNMENT—

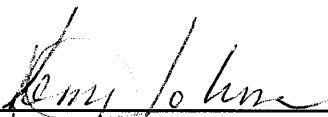
IT WAS MOVED BY Donna Boonstra, SECONDED BY Jesse Gislason, to adjourn the meeting.

The meeting was adjourned at approximately 1:02 p.m.

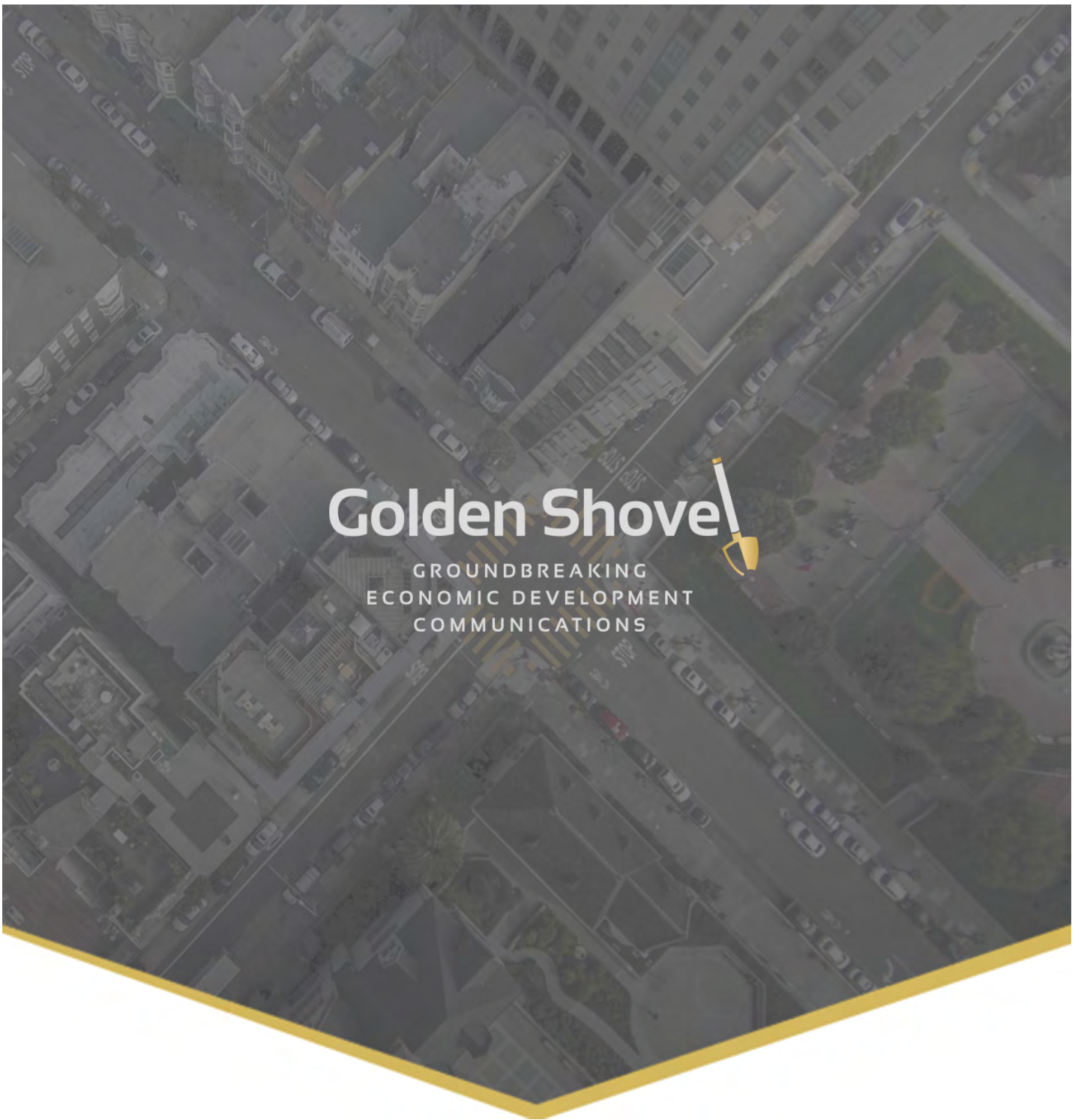


Art Benson, Secretary

APPROVED: 9/12/2019:



Kerry Johnson
Vice President



Golden Shove

GROUNDBREAKING
ECONOMIC DEVELOPMENT
COMMUNICATIONS

**Kandiyohi County and
City of Willmar Economic
Development Commission**

**Opportunity Zone
Marketing Proposal**

Aaron Backman
Executive Director

Proposal expiration: September 30, 2019

EXECUTIVE SUMMARY

July 17, 2019

Dear Aaron,

Golden Shovel is pleased to present our proposal to the Kandiyohi County and City of Willmar Economic Development Commission for your Opportunity Zone marketing efforts.

- Golden Shovel is focused on economic development, and we understand the importance of effectively marketing your community's Opportunity Zone(s). This includes the creation of a prospectus highlighting Opportunity Zone(s) in the area as well as accumulating the most relevant data for potential investors and industry developers.
- We recognize that the Kandiyohi County and City of Willmar Economic Development Commission is a unique organization with specific goals. The broad experience and expertise gained from working with 185+ clients and communities assures that Golden Shovel will draw from a deep well of projects to make sure Kandiyohi County and City of Willmar stands out.

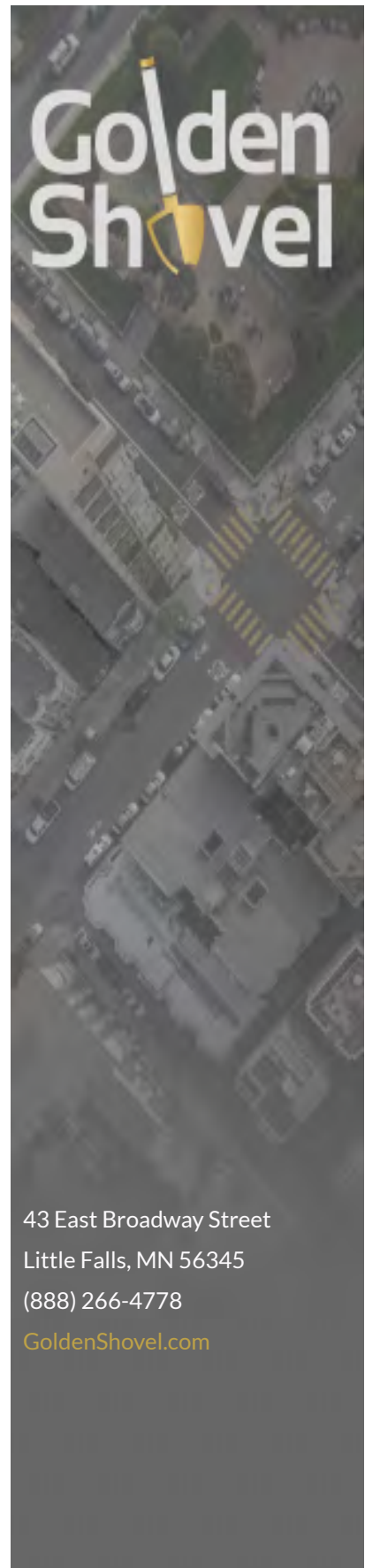
This proposal has strong support from myself and input from our entire executive team. We are committed to seeing your project succeed.

We look forward to working with you!

Sincerely,



Aaron Brossoit
CEO



43 East Broadway Street
Little Falls, MN 56345
(888) 266-4778
GoldenShovel.com

1. PROJECT GOALS

Golden Shovel Agency’s main project deliverable supports Kandiyohi County and City of Willmar Economic Development Commission's Opportunity Zones needs. The Kandiyohi County and City of Willmar Economic Development Commission has a goal of attracting interest from Opportunity Zone investors and private industry to their Opportunity Zones. Golden Shovel Agency will develop a world-class prospectus for the Kandiyohi County and City of Willmar Economic Development Commission to use for marketing and attracting various investments to the area. Key components will include the following:

- Develop a prospectus for the Kandiyohi County and City of Willmar Economic Development Commission with multiple uses for the Opportunity Zone(s)
- Promote awareness about the newly designated Opportunity Zone(s) in Kandiyohi County and City of Willmar Economic Development Commission
- Highlight the benefits of investing in and around Kandiyohi County and City of Willmar Economic Development Commission
- Specifically target key industry clusters

2. PROPOSED WORK

Below is the Opportunity Zone Market Strategy for the Kandiyohi County and City of Willmar Economic Development Commission. The proposal includes everything needed for a "go-to market" campaign for the Opportunity Zone Market Strategy.

Initial Kick-off

This initial meeting will set the goals, expectations and the framework for the next 12 weeks.

Research & Gather: Opportunity Zone

- A. Identify Opportunity Zones matrix mix.
- B. Cross-reference and identify targeted industries.
- C. Review studies and research related to industries, housing, labor, transportation, education, and other pertinent analysis.

Detailed Opportunity Zone Prospectus

- A. Collect relevant data for inclusion into the prospectus
- B. Provide detailed information for prospectus
- C. Inclusion of these elements: Growth, Capital Demand, Inclusion, Place Making, Capacity
- D. Final prospectus (branded and investment ready)

Opportunity Zone Strategy

Compiled data and analysis for Opportunity Zones market strategy with target market attraction, investment and funder attraction, and Opportunity Zone fund set up.

FEATURES			
Goals & Timelines		YES	
Research & Data Collection			YES
Investment Review	Fund		YES
Industry Focus		YES	
Prospectus		YES	
Marketing Strategy		YES	
Initial Report		YES	
Final Report & Prospectus			YES

Opportunity Zone Fund

Where needed help identify Opportunity Zone funds to create communication pathways for prospectus distribution.

Opportunity Zone Marketing Implementation Recommendations

Complete Opportunity Zone Marketing strategy with implementation recommendations - marketing the Opportunity Zones for potential industry.

Final Report

The final report will include:

- Finished prospectus
 - Marketing Strategy for prospectus disbursement
 - Opportunity Zone Fund information (if available)
 - All other data and information collected
-

Recommended Uses	Prospectus Components	
A. Generate investment opportunity	Intro to area	YES
B. Agreed upon implementation & action plan	Executive Summary	YES
C. Increase opportunity zone attraction & increase outside investment interest	Geographic areas	YES
	Population demographics	& YES
	Growth matrix	YES
	Placemaking	YES
	Capital demand	YES
	Workforce availability	YES
	Sector focus	YES
	Forecasting	YES
	Sources	YES
	Notes & appendices	YES

a) Research & Analysis

The most crucial component of developing a prospectus is the research and analysis to ensure the most up to date data is presented within the final product. Data collection methods vary from information that already exists and shared with the team at Golden Shovel as well as analysis that has to be done through a variety of research methods. The prospectus must include information such as growth expectations, workforce availability, infrastructure, and demographics. The prospectus includes everything from industry representation to quality of life - research is the most valuable component to developing a prospectus. Some basic information is also gathered to create a strategy document during the research phase including:

- **Organizational Analysis:** We will identify key messages, target industries, geographical boundaries and specific goals of your organization for inclusion in the strategy.
- **Marketing Assessment:** With the collaboration with the Kandiyohi County and City of Willmar Economic Development Commission's personnel, we will review the current brand implementation, marketing materials, website, social media assets, communications and Search Engine Optimization (SEO).
- **Competitive Analysis:** We will identify competitive communities and research their online presence and approach.

a.1 Strategy Development

We will utilize the research analysis and direct meetings with your designated staff members to identify the goals, strategies and key areas of focus to be applied throughout the messaging. Overall the strategy development process will be used by the Kandiyohi County and City of Willmar Economic Development Commission's internal staff to distribute the prospectus and relevant Opportunity Zone information to the correct groups and targets, this is a high-level document that supports the city staff when communicating the city's Opportunity Zones. The process will include the following:

- **Define Goals:** Golden Shovel will define marketing goals to serve as the foundation for the selection of the communication channels and strategies to be implemented.
- **Target Audiences:** We will determine target audience profiles and their communication preferences.
- **Communication Channels:** Appropriate communication channels for the target audience (including funders and investors)
- **Implementation Strategy:** After we have defined the goals, audiences, and communication channels, the strategy will be implemented. A variety of implementation methods may be utilized to increase engagement with the various target audiences.
- **Prospectus disbursement:** Golden Shovel will identify any areas that the prospectus should be sent, for example, any state or national sites that are posting Opportunity Zone information.

b) Development of Opportunity Zone Prospectus

The most important aspect of marketing your Opportunity Zones is the prospectus; the prospectus acts as the information clearing house for investors and industry. Information found in the prospectus includes the following pieces:

- Opportunity zone sites
- Workforce availability (and labor shed)
- Demographics
- Culture
- Industry clusters and advantages
- Current large employers (small focus)
- Cost of living and housing statistics
- Incentives
- Education and training
- Rankings
- Quality of life activities

The prospectus is a snapshot of the entire area providing clear and relevant information for new investment. The prospectus will be designed to have the Opportunity Zone(s) noted with its own individual pages which can be used to share the entire document or to remove certain information to share individually. The prospectus can also be used as a general marketing tool for unrelated Opportunity Zone projects by removing the zone inserts entirely. The Opportunity Zone(s) page can also be shared as an individual “sell sheet” and posted to various media platforms such as the city website.

3. SCHEDULE ESTIMATE

This aggressive timeline ensures that a product will be delivered in 3 months so that your Opportunity Zone(s) can be marketed to investors sooner. Below is the estimated schedule based on the timely information gathering:

	W. 1-3	W. 4-7	W. 8-9	Weekly
Research & Analysis	X			
Prospectus Development		X	X	
Marketing Strategy			X	
Communications Updates				X

4. INVESTMENT OVERVIEW

Description	Price	Qty	Subtotal
Opportunity Zone Prospectus			\$17,500
Development of Opportunity Zone Prospectus			
<ul style="list-style-type: none">• Research and development• Prospectus content creation• Design and presentation• Final prospectus			
Travel			\$1,000
Four days travel to gather research data and opportunity zone information			
Total			\$18,500

 **SIGNATURE**
Aaron Backman

5. CASE STUDY

NORTHEAST KENTUCKY DEVELOPMENT



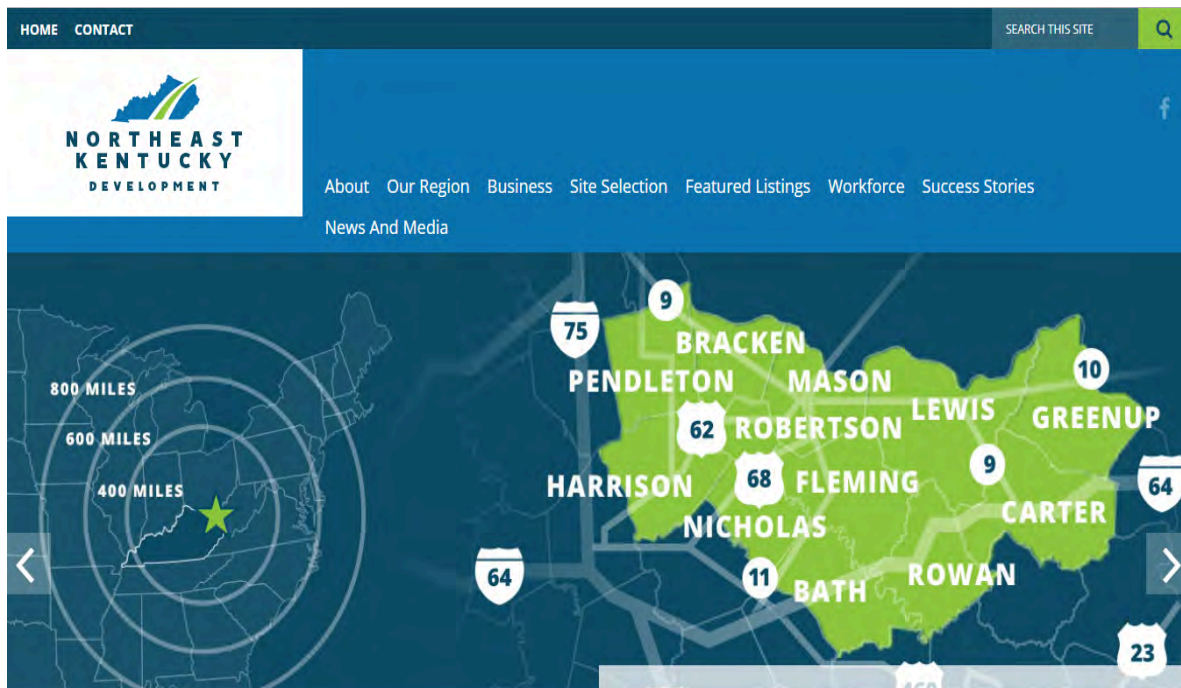
- Local developer Sam Howard was represented by a Golden Shovel Agency team consisting of Kirstie McPherson, Darren Varley and Bethany Quinn.
- Golden Shovel Agency acted as an advisory and marketing team to create a development organization in NorthEast Kentucky that focused on marketing Opportunity Fund properties and investment. The team also developed a robust workforce attraction strategy.

Northeast Kentucky Development (KY) - Golden Shovel created a regional brand and strategy to build a targeted communications plan to gain leads and attract new business growth across 12 counties. Project included brand and communication, targeted industry plan, website development, coordinated social media, trade show strategy, VR familiarization tour, marketing support. (<http://www.nekyd.com>).

Northeast Kentucky Opportunity Zone - Golden Shovel developed NEKYD's Opportunity Zone marketing by completing prospectus, opportunity zone landing pages for the website, and targeted industry content pieces. Within the first quarter of development, announcements have been made for investment, development-ready sites, and new industry moving to the area.

Opportunity Zone Funds must be targeted in their investments and ready to deploy quickly because of the 31-month development period between the first and last dollar put into the project. Golden Shovel Agency understands the urgency of these projects and has assembled a team that is ready to build your project's awareness.

Contact Information: Sam Howard, Director of NorthEast Kentucky Development, samhoward@tracecreek.net
Ph: 606.796.3867



6. CHOOSING GOLDEN SHOVEL

Golden Shovel Agency has the experience and qualifications to meet the specific promotional goals of Kandiyohi County and City of Willmar Economic Development Commission. At Golden Shovel, we bring a team of professionals with diverse experience to combine strategy, marketing, technology and communications to present our clients' communities in their best light. Our key assets are creativity, industry knowledge and foresight. We evaluate the latest technologies and trends in economic development and provide them as marketing solutions to our clients. We employ the latest trends to keep our clients ahead of the curve. Golden Shovel provides groundbreaking economic development communications strategies. Our Economic Gateway solution is the engine behind our first-in-class economic development websites, which combine our award-winning custom designs with all the tools needed for successful online economic development.



a) Golden Shovel Agency Overview

Since the company's inception in 2009, Golden Shovel Agency has earned the trust of 185+ clients, with customers ranging from small rural communities to large communities with international aspirations. Our number one goal is customer satisfaction leading to long-term relationships. Golden Shovel Agency proudly has retained over 95% of our customers who have signed up for our tools and services. This is an industry leading indicator of our growth and stability in the community development arena and a predictor of strong growth in years to come. We truly believe in our client's satisfaction and provide all clients with a 30 day prorated out clause on all of our contracts. Golden Shovel is the leader in community development marketing, websites and communications with over 185 websites launched in 30 states and Canada. Our work has won state, regional and international design awards. We are solely focused on the community development industry with a strong understanding of the needs of municipalities from perspectives all across North America.

b) Why Golden Shovel?

Golden Shovel is not an ordinary marketing firm. In addition to providing websites, strategy and branding, we bring to the table the following unique and valuable assets:

We have industry experience.

Golden Shovel executives regularly attend and are asked to present at economic development conferences. We have a close relationship with the site selection community and collaborate with them on preferred communication methods. Site Selection Firms that are currently working with us are:

- Newmark Knight Frank
- Global Location Strategies
- McGuireWoods Consulting
- Barber Business Advisors



We are a communications firm.

Great marketing happens when great content finds the right audience. Whether attracting a business in a target industry, or a type of worker, we create custom content tailored for the economic development audiences. We accurately target and measure results through online communication channels.

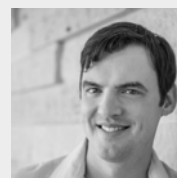
YOUR GOLDEN SHOVEL EXPERT TEAM

Our team consists of 32 members covering a wide array of expertise. We will have our top staff assigned to this project to ensure the best possible results. The following key team members will be assigned to the project with assistance from other appropriate staff members as needed:

John Marshall, President: John is a partner with Golden Shovel and has 15 years of experience in financial analysis, sales and business development in the privately owned business market and is a well-respected economic development advisor and strategist. He is a member of the Mid-America EDC, NREDA, SEDC, IEDC, Vice President of the Weston County Development Board, President of the Upton Economic Development Board, member of the Wyoming Workforce Advisory Group and Board Member of the Wyoming Economic Development Association.



Aaron Brossoit, CEO: Aaron Brossoit is a founder and partner of Golden Shovel Agency. He has worked with hundreds of communities all across the country focusing on their business attraction, retention and workforce marketing and strategies. Brossoit is a board member for the Mid-America Economic Development Council (MAEDC) and a frequent presenter at state and regional economic development conferences.



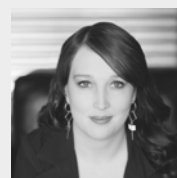
Ron Kresha, COO/CFO: Ron Kresha's career spans COO, CFO, Business/ Financial Manager and Technology Coordinator for technology, small business and education markets. Kresha is an accomplished economic development adviser helping communities create successful brands to expand their economic gardening and outward facing economic development efforts. His financial executive experience includes the ability to oversee, develop, and organize complex financial control policies and analytics for software-based companies.



Darren Varley, Project & Client Manager/Lead Designer: Darren manages the project and coordinates with the client throughout the entire development process. Darren also provides ongoing assistance for marketing strategy development, training, social media, quarterly report reviews and ongoing maintenance. He has been working with the team for 6 years, creating a wide array of designs with a high level of customization to ensure we fulfill the client's expectations.



Kirstie McPherson, Director of Marketing: Kirstie comes from a well-rounded background in marketing and economic development with projects focusing on business recruitment, workforce attraction, and strategic marketing. Kirstie began working in Economic Development over 7 years ago and has been in an economic development marketing role throughout that time. She began working with Golden Shovel in 2017 and focuses on many marketing projects, including community marketing strategies and connecting with communities around the nation.



Bethany Quinn, Director of Content: Bethany has been with Golden Shovel 3 years as Director of Content, and she leads a talented content and publishing team. With a passion for creating and sharing our client's stories, Quinn is pioneering new ways to promote our clients and their local and regional successes. Economic development has the power to change an entire community and the lives of each family who lives there. Bethany and her team share the success stories of economic developers, local businesses, and organizations that are fighting to make their community a better place – and winning.



Laura Christie, Director of Business Development: Prior to getting her Bachelor's degree in Logistics from Auburn University, Laura graduated from high school with an emphasis in Graphic Arts. She has over 10 years of logistics experience, having worked with major companies such as Toyota, Denso, Target, and Google. At Golden Shovel, Laura is responsible for business development support activities including lead management, customer relationship management, regional research, scheduling and generation of proposals and presentations.



7. CLIENT REFERENCES

Steve Jahn

steve@momentumwest.org

Executive Director
Momentum West
Eau Claire, WI
Ph. 715.874.4673

Customer since September 2014

<http://www.momentumwest.org>

Services provided: Website Development, Website Copywriting, Content Management Service, Business Attraction Marketing Strategy, Digital Marketing Campaign, and Advanced SEO

Lisa Hurley, CEcD

lhurley@yorkdevco.com

Executive Director
York County Development Corporation
York, Nebraska
Ph: 402.362.3333

Customer since March 2014

<http://www.yorkdevco.com/york>

Services provided: Website Development, Website Copywriting, Content Management Service, Advanced Website Lead Generation/Tracking, Virtual Reality FAM Tour Video

Linda DiMario, CEcD

ldimario@irvinechamber.com

VP Economic Development & Tourism
Irvine Chamber Economic Development
Irvine, California
Ph: 949.502.4124

Customer since April 2015

<http://www.irvinechambereconomicdevelopment.com>

Services provided: Website Development, Website Copywriting, Content Management, Advanced Website Lead Generation & Tracking

Erik Collins

collinse@mcoho.org

Executive Director Montgomery County Ohio
Dayton, Ohio
Ph. 937 225 4642

Customer since January 2016

<http://www.mcoho.org/>

Services Provided: Website Development, Website Copywriting, Content Management Service, Website Hosting & Maintenance, Virtual Reality FAM Tour

“Selecting Golden Shovel was not a risk. Their work with other communities across the country garnered immediate consideration. Golden Shovel delivered, making this the most seamless, stress-less development project with which I have ever been engaged.”

-Linda DeMario, Irvine Chamber Economic Development



Joint Operations Board Meeting
Aaron Backman Report
August 8, 2019

Auditor Selection

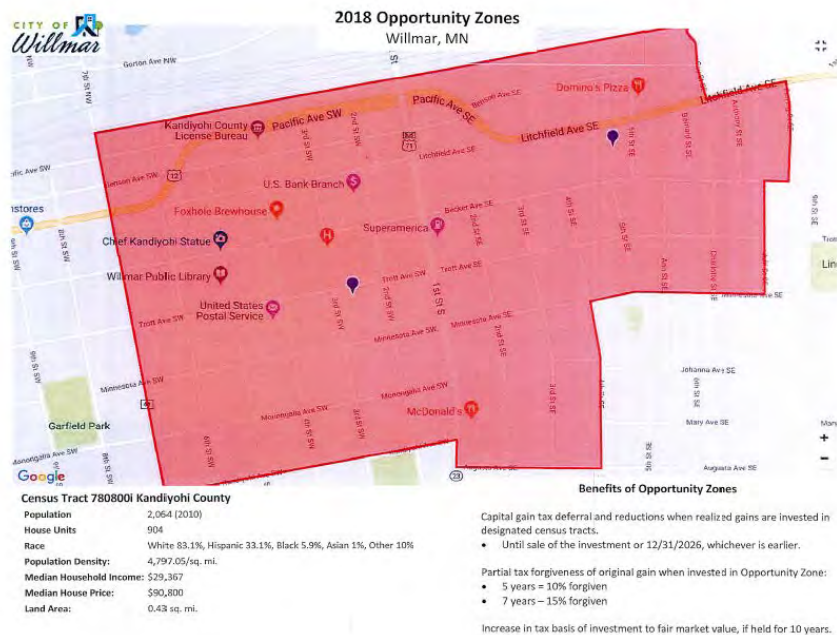
On May 13, 2019 Jim Ruff, the EDC's Auditor indicated that he would withdraw from providing future audit services for the EDC. While he is discontinuing the audit services portion of his business, he will continue to provide non-audit advisory services to the EDC, such as payroll and QuickBooks support, and consultative services. On May 16th a letter was prepared and sent to four local accounting firms requesting proposals for audit services for the next three consecutive years.

Two firms, Conway Death & Schmiesing and Westberg Eischens provided proposals for the auditing services. On July 16th and July 22nd a committee of Joint Operations Board Vice Chair Kerry Johnson, Nancy Birkeland, and myself interviewed the two teams. The two proposals were fairly comparable and either firm would do a good job. Both have staff dedicated to audit work (with backup) and would complete the audit in about the same timeframe. Scott Van Buren, Partner at Westberg Eischens, and Kasey Nelson, in-charge accountant, asked questions that the interview committee liked. Van Buren has audited the EDC's financials when the City of Willmar was the EDC's fiscal host. Backman, Birkeland, and Johnson recommended accepting the Westberg Eischens quote and the Joint Powers Board accepted the WE proposal at its 7/25/19 meeting. An engagement letter has been signed and initial information has been provided to the firm.

Marketing Proposal for Willmar Downtown Opportunity Zone

In June of 2018 Governor Dayton selected 128 census tracts to be Qualified Opportunity Zones (QOZs). These are low-income communities that the federal government is encouraging investment by deferring taxation on capital gains until December 31, 2026, reducing gain that is taxed by up to 15%, and no tax on additional gain if property held for 10 years. So, there can be direct tax benefits to developers, developers can raise equity capital from investors who can use the tax benefit, and property owners can attract tenants who can use the tax benefits for capital costs.

In Kandiyohi County there is one approved Opportunity Zone (QOZ) located in Census Tract 780800 in Willmar. It covers the Downtown and a residential area to the east of 1st Street. To take full advantage of the program, investments should be initiated in 2019. However, this requires a significant marketing effort (a marketing strategy, a prospectus and other materials provided to potential investors). Given current workloads of Connie and myself, I am suggesting that we partner with an agency that has experience marketing Opportunity Zones. The Golden Shovel Agency, based in Little Falls, MN, specializes in marketing for economic development organizations around the country. (They have about 185 clients around the country.) They have worked with a number of cities to promote their QOZs.



Ken Warner, Sarah Swedburg, and I met on July 17th with Steve Gottwalt to discuss Golden Shovel’s approach. Subsequently, Golden Shovel provided a proposal to the EDC for Opportunity Zone services. The key components are: Develop a marketing strategy, a prospectus for the EDC to use in different ways, promote awareness of the Opportunity Zone in Willmar, highlight the benefits of investing, and targeting key industry clusters. The work is expected to take about 12 weeks. The cost of the contract is \$18,500.

I have talked with Sarah Swedburg and Dave Ramstad regarding Willmar Main Street’s financial participation in this marketing effort. They are supportive of partnering with the EDC in this regard. The Willmar Main Street Board will review the Opportunity Zone Marketing Proposal on August 21st. Sarah will be proposing that they contribute \$5,000 to this cost. I would propose that the EDC’s share of \$13,500 come from the EDC’s unreserved funds (current balance is \$67,834.96).

EDC Telephone System

The EDC’s telephone system was purchased in 2004. Last month the phone system no longer was taking voice mails due to a “fried” board (calls could no longer be forwarded to voicemail and the automatic phone answering feature no longer worked when the phones were unattended). Backes Technology submitted two estimates for a new system. The Joint Powers Board approved the new system, which included an IP Office R11 phone system and four digital Avaya phones, at a cost of \$2,702.34. The new system was installed and is working properly.

Natural Gas Line Extension into 4th Addition

Backes Technology Services, Inc., a communications-related company, was the second business to locate in the 4th Addition. In 2016 Backes purchased one lot in the northwest corner of the certified site. In early 2017 the company completed its facility west of Dooley's Petroleum facilities. While Backes Technology was able to hook up to municipal water, sewer and electricity, CenterPoint Energy, the local natural gas supplier, had not extended service to this portion of the industrial park. A subsequent quote of over \$25,000 to get natural gas service was not cost effective and dissuaded Backes from doing so. CenterPoint charges installation costs based upon expected natural gas load. Typically, businesses with larger loads will experience greater discounts on installation costs.

As a stopgap measure, Backes utilized a propane tank and furnace last winter. Ideally they want to have natural gas. CenterPoint Energy is willing to extend a 4-inch line nearly half a mile to the Backes building at a cost of \$14,324. As a small business, it would take many years for Backes to get a return on its investment. They are asking if the cost of the line extension can be shared between the City and the business. The extension would go from the intersection of Trott Avenue SW and 28th Street SW to near the intersection of 32nd Street SW and 3rd Avenue SW. Backes argues that the new line will serve 13 other lots in the 4th Addition. At 290 feet, their property represents 12% of the total distance, or \$1,719 of the cost. Backes is willing to pay \$4,000 or 28% of cost, if the City is willing to pick up the difference (\$10,324).

The EDC assisted the business by presenting their proposal to the Willmar's Community Development Committee on July 22nd. The Committee unanimously recommended that the City Council approve the cost-share arrangement. On August 5th the Willmar City Council unanimously approved the natural gas line extension into the 4th Addition and splitting the cost with Backes Technology. Having natural gas available to the majority of lots in the 4th Addition is a positive development, will enhance recruiting efforts and is being done on a cost-effective basis for both the City and Backes.

Business Meetings (July 12th – August 8th)

1. Participated in business development meeting with Joanna Schrupp and Kathy Schwantes at MWTC (7/15/19)
2. Meeting & tour of Jefferson Learning Center w/Scott Wallner, Community Education Director; and discussion w/Ann Trochlil, ABE Coordinator, Glacial Lakes Consortium
3. Weekly development meetings w/Dave Ramstad, Director Planning & Development, City of Willmar (7/16, 7/23, 7/30, 8/6)
4. Participated in Kandiyohi County Commission public hearing for the Suite Liv'n Tax Abatement request for Sunwood apartment building (7/16/19)
5. Participated in two interviews with CPA firms for the EDC Auditor engagement (7/16 and 7/22/19)
6. Participated in meeting w/Steve Gottwalt, Golden Shovel, Sarah Swedburg, and Ken Warner re Willmar Opportunity Zone Marketing Program (7/17/19)



7. Presentation to Willmar Community Development Committee re natural gas line extension to the 4th Addition and Backes Technology (7/22/19)
8. Participated in the Hwy 23 Coalition Board of Directors meeting at Dooley's Petroleum (7/24/19)
9. Mtg. w/Sean C., Dave R., Sarah S., Brian G., and other city staff re Epitopix Utility Extension Project and Annexation Plan options (7/24/19)
10. Participated in EDC Joint Powers Board Meeting (7/25/19)
11. Meeting w/Abdul, Nadeer Construction, the general contractor for the Willmar Child Care Center renovation project (7/26/19)
12. Various discussions w/Marc Manderscheid, Attorney w/Briggs & Morgan, representing Kandiyohi County in regards to RockStep petition (7/31/19)
13. Attended Partners in Agricultural Innovation event at MWTC (8/1/19)
14. Attended Willmar Chamber Connection event at Magnum Trucking (8/2/19)
15. Attended Somali Culture Panel Discussion at Willmar Public Library (8/2/19)
16. Attended CVB Leisure Travel Committee mtg. at Sibley State Park (8/5/19)
17. Presented at Willmar City Council Mtg. re natural gas line extension (8/5/19)
18. Presentation to Granite Falls City Council re renewal of Hwy 23 Coalition membership (8/5/19)
19. Participated in S& P Rating Call at Kandiyohi County for G.O. Water & Sewer Bonds (8/7/19)
20. Mtg. w/Steve Okins and Dave Ramstad re-funding for Epitopix Utility Extension (8/7/19)
21. Presentation to Willmar Planning Commission re Epitopix Utility Extension (8/7/19)

Business Visits

1. Dale Odom re business plan for family entertainment business in Willmar
2. Tour and meeting w/Sterilucent (CVN prospect) in Minneapolis; Later in month conference call w/principal & Joanna Schrupp, MWTC
3. Mtg. w/Nu-Tek Bioscience (CVN prospect) in Minnetonka
4. Meeting w/family re prospective Mexican Seafood business in Willmar
5. Mtg. w/Joanna Schrupp at MWTC re Nu-Tek Bioscience response
6. Jim Bach, Marcus Construction, re potential projects in Willmar
7. Tour of 15th Street Flats with Nick Schoenecker, Project Coordinator
8. Attended "Wall-breaking Event" for YMCA Early Learning Center at Green Lake Mall, Spicer
9. Larry Walter, Innovative Systems, & Connie re building option for business
10. Blake Graves re Redevelopment on property on Hwy 12 and across from Legacy Commons
11. Mtg. w/Abdi, ADC, at the Willmar Child Care Center (WCCC)
12. John Vornholt, Manager, Kandi Mall re Kohl's
13. Participated in 2nd Retail Business Design Workshop Reunion at Patina Marquet



**Joint Operations Board Meeting
Connie Schmoll Report
August 8, 2019**

Childcare

The Kandiyohi County and City of Willmar Economic Development Commission (EDC) has participated in the Kandiyohi County Rural Child Care Innovation Program with leadership in securing team members, partnership with United Community Action Partnership (UCAP) to secure technical assistance for creating local solutions, and participation in planning and implementing childcare-related events. The EDC has engaged in specific childcare business planning and financing. In addition, the EDC approved funding for projects that have potential to bring resolution to the existing shortage of childcare centers and childcare providers.

The EDC approved funding as follows:

- ✓ \$10,000 for the capital campaign for the YMCA Childcare Center in Spicer
- ✓ \$900 for the Early Childhood Career Exploration Class to entice and engage potential students for childcare certification and/or early childhood education degrees.
- ✓ \$900 for scholarships toward tuition for students in the childcare certification and early childhood education classes at Ridgewater College.

Local childcare options in process:

- The Willmar Childcare Center facility is currently under construction for the necessary buildout to be licensed for childcare services.
- The YMCA capital campaign for the childcare facility in Spicer has secured the first goal of raising \$575,000 for construction. They hope to have the facility constructed and in full operation later this year.

Broadband

Townships Meetings

Broadband Committee members are facilitating discussions with Township Boards to encourage township level investment and planning for a high-speed broadband deployment project. Arvig remains committed to studying the possibility for a buildout, if we have funding partners that cover more than 30% of the project costs and a state Border-to-Border grant for up to 45% of the costs. Arvig will fund the remainder of the costs.

The three invested townships, Dovre, Mamre and St. Johns, passed resolutions to pay one-quarter the costs of an engineering study (bid at \$18,740) each, to determine the process and cost to deploying high-speed broadband in their townships. Kandiyohi County agreed to pay the other one-quarter of the cost. According to Arvig, it will take 2-3 weeks to schedule the engineering study and 4-6 weeks to complete the study. Compass Consultant's Inc. submitted a contract, which was approved by the EDC Joint Powers Board, signed and returned to Compass. The contract is with the EDC on behalf of Dovre, Mamre and St. Johns Townships as the "owner" and Compass as the "engineer."

Border-to-Border grant applications are due to the Minnesota Broadband Development Office by September 13, 2019. This time frame is stringent with many steps to complete between now and the 13th. The engineering study needs to be completed and reported to the townships. In addition, we will need to conduct education to

the constituents, assess interest in subscribing if the project were to be done, decide on the township bonding process, assist with a Border-to-Border grant application, secure letters of support and more. We are planning for a 2020 application rather than completing one this year.

Meetings and Events

1. Meetings with new Willmar City Planner, Dave Ramstad
2. Childcare Core Leadership Team meeting
3. Partners in Ag Innovation Workshop planning meetings
4. Open Mic on Ag Workshop
5. CERTS Advisory Board meeting
6. Job Fair Planning Meeting
7. MN Dept. of Ag call on industrial hemp and federal incentive programs – Kevin Hennessy
8. Guest speaker Todd Mathewson at Industrial Hemp Exploratory Subcommittee meeting
9. USDA grant work on behalf of Simply Shrimp – Christianson and Paul Damhof
10. Tour of Willmar Child Care Center with Melanie Faust of Jennie-O
11. Work with Blue Cross Blue Shield on behalf of Willmar Child Care Center
12. Planning with cities and counties on Highway 23 membership renewal
13. Attend Farmfest, Morton, MN

Business Visits

1. Follow-up visit with K-Traps of Pennock
2. Retail Business Design Workshop follow-up with 4 businesses
3. Diamond Trailers
4. VP Enterprises, closing of loan
5. Lunch meeting with Renee Nolting of West Central Industries
6. Brian Burwell/ Universal Athletics
7. Kandi Mall
8. Beauty Box Boutique
9. Glow by J Boutique
10. Woodland Centers
11. Salon MarahKhee Expansion
12. EpiTopix discussions on sewer and water options and broadband options
13. K & O Enterprises business planning
14. Pinnacle X-Ray Solutions Business Planning

Kandiyohi County Retail Business Design Workshops

August 2019 Follow-up Report

The success of the Retail Business Design Workshops continues to be evident in messages received from the participating businesses. Two business participants recently shared with me they wish to do radio ads thanking the hosts and sponsors of the Kandiyohi County Retail Business Design Workshops because of the value of the program, i.e. the things they learned and the relationships they built.

With \$8,918 left in funds, the planning team members decided to offer funds to participating retail businesses. The request made to the businesses was to implement one or more of the action plans that were recommended to them by a professional coach. Jackie Parr of the University of Minnesota Retail Design Program worked with four businesses and offered marketing strategies, recommendations and possible action plans to the business owners. These are the current plans for the four businesses.



Mary Solbreken, Rustic Designs Flower Farm

Located near Belgrade, MN, Rustic Designs Flower Farm offers fresh cut flowers, bouquets, flower subscriptions and flower arranging classes.

Mary utilized the recommendation she received from coach Jackie Parr by requesting funds for professional photography and video.

Mary said, "I have been thinking about what you have been offering and thinking about what would get me the best return." She has already implemented an email marketing campaign and has found it effective. Mary added, "I have been thinking about having a professional photographer come out and make a video from drone footage and also take some professional photos that could be used in my social media blasts, emails and flyers. Basically, some branding photos and videos. I think this would be a great help to have these photos and footage to use."

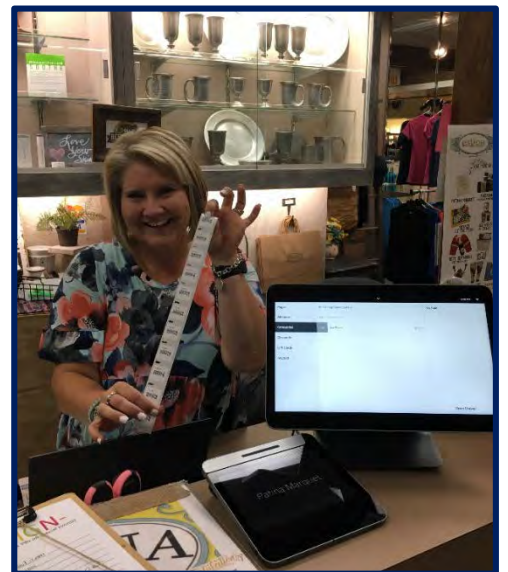
With her business in prime season, Mary was excited to implement these recommendations right away. Mary reported that Jordan of Lundin Cinema and Photography was out on Friday, July 26th to film. She found him great to work with and is excited to see the finished product. She viewed a sneak peak of the drone footage coming over the trees near the flower field and is happy with the footage. Jordan also took ground shots of the flower field. Mary will share the final product of the photos and video when complete. Total cost: \$1,700.

Terry and Tanya Smith, Patina Marquet

Located at the north end of the Kandi Mall, Patina Marquet is a vendor-based retail store that offers unique home furnishings, gifts and art.

The Smiths reported that their business needs at this time include a new POS (Point of Sale) system that will better meet the needs of a consignment structured business, specifically, the Clover Station Small Business POS | Bank of America Merchant Services. "With a new system we would be better able to track inventory and show our vendors just what sold. This would save us time as to make it work, we recently resorted to manually writing a daily sales report."

The system, along with set up and conversion fees and additional barcode scanner, have an estimated cost of \$1,530.



Tanya Smith of Patina Marquet showcasing the new POS system

“This has been on the back burner for us, so an opportunity to upgrade would really help us reinvest in this area of our business. With the advisement of Jackie Parr, we have taken steps to purchase advertising and a shopping rewards program. We funded these ventures with our limited store income and have seen great results.”

“We are so excited to see what the future will bring. Thank you again for the opportunity,” they said.



Heather Koffler, River Valley Arms and Ammo

A retail store offering guns, ammo, clothing and shooting supplies located in Morton, MN.

Heather knew right away that she would like to implement a plan recommended by Ms. Parr using alternative advertising because of the limits on marketing firearms with traditional advertising outlets.

With a \$1,600 budget, Heather proposed finding an influencer to share their story. Influencer marketing is a type of advertising that uses category leaders or celebrities to communicate their brand message and content to the influencer’s vast amount of followers. The firearms industry especially, is taking increased notice of influencers, according to Jackie, such as the Military Arms Channel, Warrior Poet Society and others.

Misty Watkins, Beauty Box Boutique

Clothing and accessories store for women located on south First Street in Willmar, MN.

Misty has already invested some of her own funds to create a decorative wall to make her products stand out and to use for photographing and videotaping for Facebook ads. She also reduced the amount of inventory on the floor to create more open space as advised by Ms. Parr.



Misty needs to market the business location and product to get people in the door. She will use funds of up to \$1,600 for radio ads and a targeted, high-impact Facebook posting program to run for a fixed amount of time. The things she learned about photographing the products and reaching the target audience will be helpful for this stage of marketing her business.

There are other businesses with specific plans recommended by coaches of the program. As funds allow, one or two other businesses will be offered some funds to implement the plans.

Connie Schmoll