

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)**

**FINANCE COMMITTEE MEETING**

**MINUTES**

**January 12, 2021**

**Via ZOOM Vide Conference**

Present: Matt Behm, Nick Dalton, Allen Huselid, Kerry Johnson and Les Nelson

Absent: Travis Jones and Justin Schnichels

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

Guests: Larry Kleindl, Kandiyohi County Administrator, Jean Spaulding, Kandiyohi County CARES Act Coordinator and Joe Valdez, Auto Barn Incorporated

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

Chairperson Matt Behm called the meeting to order at approximately 12:03 p.m.

**AGENDA**—Added to the Agenda under Unfinished Business was item b) Willmar Child Care Center loan deferral and under New Business item e. Minnesota Pandemic Relief Grant Program was moved up to item c and added was a new item f. Rising Tide Capital. The agenda was taken out of order.

**UNFINISHED BUSINESS**

**CARES Pandemic Relief (CPR) Grant Program.** Aaron Backman noted the CARES Pandemic Relief (CPR) Grant Program was funded by CARES Act funds from the federal government. The EDC distributed just under \$3.5 million through the CPR Grant Program and staff is currently receiving and reviewing the grant expense reports.

**NEW BUSINESS**

**Minnesota Pandemic Relief (MPR) Grant Program.** The MPR Grant Program is funded from funds Kandiyohi County received from the state of Minnesota. The EDC has received 11 grant applications as of this morning with 5 being considered today; 5 needing additional information and 1 being ineligible. The MPR Program is divided into three tiers with the focus being on the businesses impacted by the latest shutdown by the state.

The committee reviewed the five Tier I grant applicants with EDC staff's recommendations as to a grant award.

IT WAS MOVED BY Nick Dalton, SECONDED BY Kerry Johnson, to approve the recommendation of the EDC staff to award Minnesota Pandemic Relief Grants to five businesses on the attached list (copy attached to original minutes only due to the Data Privacy Act) for a total grant award of \$91,500. MOTION CARRIED.

Backman noted the grants approved today will be considered by the Kandiyohi County Board of Commissioners on January 19<sup>th</sup>.

Jean Spaulding reported the county made calls to all restaurants and hotels that obtain licenses through the county and explained the MPR Grant Program; those who were not reached by phone were sent an email. Schmoll stated the EDC emailed the MPR Grant application form to approximately 62 businesses on the list used for the CPR Grant Program. Backman reported the EDC has received information on some businesses that received funds directly from the Minnesota Department of Revenue. Spaulding noted the Department of Revenue would not share with the county which businesses would be receiving funds.

The committee discussed when to hold meetings relative to the MPR Grant Program. Larry Kleindl stated the County Board meets on the first and third Tuesdays of each month. He is willing to bring grant information to the County Board after their packets are sent out. Backman noted the application deadline is February 17, 2021 and the deadline to spend the funds is March 15, 2021. The county withheld 10% of the \$832,000 it received to be used for businesses that may have been omitted or for situations not considered. It was the consensus of the committee to meet each Wednesday at 12 noon, except it will meet on February 9, 2021 for its regular monthly meeting.

[Kleindl and Spaulding were excused from the meeting.]

**Revolving Loan Fund Request.** Backman presented information on the Auto Barn Incorporated, which is seeking \$24,000 from the EDC's Revolving Loan Fund. The business was relocated from south Highway 71 to the east side of the building in which La Manzanita Mexican Market is located on Highway 12. The owner, Joe Valdez, gave his background and information on his new business he took ownership of this month and his plans for the future.

IT WAS MOVED BY Kerry Johnson, SECONDED BY Les Nelson, to recommend to the Kandiyohi County and City of Willmar Economic Development Commission (EDC) Joint Operations Board that it approve a seven-year \$24,000.00 loan from the EDC's Revolving Loan Fund Program to Auto Barn Incorporated with interest at 5% and a first security position on equipment and inventory plus holding the title to a Suzuki motorcycle for two years. MOTION CARRIED.

## MINUTES

IT WAS MOVED BY Nick Dalton, SECONDED BY Allen Huselid, to approve the Minutes of the December 8, 2020 meeting. MOTION CARRIED.

## NEW BUSINESS CONTINUED

**Willmar Child Care Center Loan Deferral.** Schmoll reported the funding team for the Willmar Child Care Center and the owners of the Willmar Child Care Center have been meeting. The Center obtained its state and local licenses, held an open house with the Willmar Lakes Area Chamber of Commerce, started accepting applications and will open this month. All other funding partners approved deferring loan payments by the Center for three months and are requesting the EDC also approve a three-month deferment.

IT WAS MOVED BY Nick Dalton, SECONDED BY Kerry Johnson, to approve a three-month deferral of the Revolving Loan Fund loan payments by Willmar Child Care Center beginning with the January payment. MOTION CARRIED.

**Resignation of Randy Zinda.** Backman noted Randy Zinda retired from Bremer Bank and resigned from this committee at year end. Backman offered his thanks to Zinda for serving on this committee since 2008.

**New Member.** Backman stated Zinda recommended he be replaced by Allen Huselid, also an employee of Bremer Bank. Allen Huselid provided his background information.

IT WAS MOVED BY Les Nelson, SECONDED BY Nick Dalton, to approve Allen Huselid as a member of the Kandiyohi County and City of Willmar Economic Development Commission Finance Committee. MOTION CARRIED.

[Johnson was excused from the meeting.]

**Immigrant Business Disaster Relief Grant Application.** Schmoll provided information on a grant request by Adna Transportation.

IT WAS MOVED BY Allen Huselid, SECONDED BY Nick Dalton, to approve a \$750 grant to Adna Transportation under the Immigrant Business Disaster Relief Grant Program. MOTION CARRIED.

**Rising Tide Capital.** Schmoll gave an update on the Rising Tide Capital program being initiated with Southwest Initiative Foundation.

**NEXT MEETING**—The next committee meeting is **12:00 p.m., Wednesday, January 20, 2021** via ZOOM video conference.

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

IT WAS MOVED BY Les Nelson, SECONDED BY Nick Dalton, to adjourn the meeting.

The meeting was adjourned at approximately 1:05 p.m.