

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
BUSINESS RETENTION AND EXPANSION/RECRUITMENT (BRE/R) COMMITTEE
MINUTES
October 21, 2016
EDC Board Room

Present: Sam Bowen, Jim Ellingson, Roger Imdieke, Jean Marthaler and Les Nelson

Excused: Bob Carlson and Ranae Rahn

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

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

Chair Les Nelson called the meeting to order at approximately 9:04 a.m.

AGENDA—The Agenda was changed to show Les Nelson as the chairperson. Nelson will continue to chair the committee through the end of the year. Added under New Business was committee membership.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Jean Marthaler, to approve the revised Agenda. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Roger Imdieke, SECONDED BY Jean Marthaler, to approve the minutes of the April 20, August 17 and September 21, 2016 meetings as emailed. MOTION CARRIED.

REPORTS—

Atwater BRE program. Connie Schmoll reported she recently met with Atwater representatives and found there is nothing that needs attention at this time. They did discuss marketing the community and their desire for all Atwater area newsletters to have the same branding. Atwater is looking at its TIF program due to a business that is looking at moving. Schmoll will continue to work with their Economic Development Association as needed.

Raymond. Schmoll reported Raymond had good participation in the EDC's countywide BRE program. A feasibility study for an assisted living care center was done, plans drawn up and a pro forma completed by Ruth Ann Karty that was presented to the City Council. The City Council took

over the project and is moving it forward. Raymond may have a question on its ballot in November as to the project.

New London-Spicer. Schmoll has not had any contact regarding the New London-Spicer BRE follow-up project for approximately one year. She visited with Carson Ouellette, Field Representative of Senator Franken's office, who has requested to visit with businesses and city representatives in New London the next time he is in the county.

Business Visits/Tours. Aaron Backman reported in the past month he attended the Vision 2040 Housing Subcommittee meeting, CVB Leisure Travel Committee meeting, West Central Job Fair where the EDC had a booth, Social Media Rockstar Event, monthly KWLM Open Mic program, Ag and Animal Science Conference, Minnesota Poultry Testing Lab open house, West Central Angel Fund I meeting, the Chamber's tour of the Sugar Beet plant in Renville, the county's bond rating hearing and 1 Million Cups. Backman also noted he visited downtown Willmar businesses Estrella Bakery and La Fiesta. Schmoll stated the first speaker for 1 Million Cups was Al Baker, who has developed a medical device and has major corporations that are helping with software and hardware development. Baker is in the fundraising stage. Backman stated this week's 1 Million Cups speaker was Luke Riordan of DAYTA Marketing in St. Cloud. Roger Imdieke spoke on the 1 Million Cups presentation by the Douglass brothers and their 3D printing company, Dglass 3D. Backman reported MSNBC was in Willmar October 6-8, 2016 interviewing new immigrant businesses for its "Your Business" television program. Business interviewed included West Central Interpreting Services, La Fiesta and Happy Family Asian Grocery. The program is anticipated to air in November. As to Somali businesses obtaining financing, Jean Marthaler reported Muslims will pay a fee, but will not pay interest so one way the Muslim-owned businesses have gotten around the interest issue is to obtain loans that have all charges included and noted as interest.

Workforce Subcommittee. Schmoll reported the Workforce Subcommittee was created following the BRE Survey and the EDC joined with Vision 2040 to address workforce concerns. Willmar High School teachers touring eight manufacturers in August, which was highly successful. The school Principal would like those tours to continue. In October, 400 Willmar tenth grade students toured one of the eight manufacturers. Backman noted the manufacturers divided the students into small groups for their tours. Sam Bowen reported he toured RELCO where the students were quiet, but very attentive. RELCO's map showing locations across the globe had an impact on the students. The students also saw the various positions available, including drafters, architects, accountants, assembly, administration, welding, etc. and young ladies were encouraged to enter the manufacturing field.

[Jim Ellingson joined the meeting.]

Schmoll went to Chappell Central and found she needed to steer the conversation on the floor after which the students became more engaged. The students discovered what classes they need to look at today for future employment. Loren Corle of RELCO gave his story to the students

during their lunch hour. The subcommittee reviewed the teacher and student tours and are making plans for future tours.

NEW BUSINESS

ERC Holdings, LLC. Backman reported he worked with ERC Holdings, LLC, an accounts receivable management company that also does collections and market research for telecommunications and financial services companies. ERC Holdings has offices across the United States and in India. ERC Holdings is leasing the former Kandiyohi Power Cooperative building and had an open house on October 1. The company is in the process of hiring 60-90 employees with plans to have 238 employees within three years. ERC Holdings is confident it will obtain the employees it needs. ERC Holdings applied for and was approved for a \$563,000 grant through the State of Minnesota Job Creation Fund for capital improvements. Backman obtained resolutions of support for ERC Holdings' Job Creation Fund application from the EDC Joint Operations Board and Willmar City Council. A final hearing will be held via conference call on October 31. ERC Holdings is investing over \$2 million in the Willmar community. Backman informed the company of training opportunities through Ridgewater College. ERC Holdings local manager is the former supervisor of Northland Group, a competitive company that was formerly in the same building. Bowen stated he will be meeting with Kim Howell of ERC Holdings on how Ridgewater College can help the company.

[Connie Schmoll was excused from the meeting.]

Willmar Downtown Mills Auto Development. Backman distributed an aerial map of the Willmar Downtown Mills site of 1.3 acres (see attached). There is a company potentially interested in the site. Backman has been interacting with Commonwealth Development, whose main focus is residential development. Erin Anderson of Commonwealth toured six to seven locations around Willmar, including Bethesda's Heritage Center and Nelson Laundry. Commonwealth Development submitted a letter of intent to Bethesda to convert its Heritage Center into 45 two and three bedroom units, but was turned down due to another pending offer. Commonwealth Development may be interested in the downtown Willmar Mills auto site for residential housing and possible use of the City's parking lot to the west. Backman approached Bruce Peterson of the City of Willmar about possibly closing Benson Avenue and also spoke with John Harren of Willmar Municipal Utilities about utilities beneath Benson Avenue. The City of Willmar requires a significant portion of a downtown building contain businesses on the first floor and discussions were held on applying for an exception to this; however, Commonwealth Development could have its rental office on the first floor, which would be counted as a business. Indieke suggested if a residential building is being considered, the developer should collaborate with the City of Willmar to plan green space. Backman noted new development guidelines were adopted for downtown Willmar this year. Beautification strategies to attract new businesses to downtown Willmar would fall under Mid-Minnesota Development Commission. Marthaler questioned if the downtown businesses feel a particular business is missing from downtown that could be

considered for the first floor of any building that is developed. Backman is looking for a business to use as a catalyst to spur downtown development. Commonwealth Development has experience taking on difficult projects and has equity investors. The committee felt downtown residential development would be a great project for Willmar and this is an exciting prospect.

Kandi Mall. Backman reported on approval of the tax abatement requests by Rockstep Capital, the new owners of the Kandi Mall. Rehabilitation of the mall will be done beginning next year, including new signage, parking lot changes and exterior remodeling.

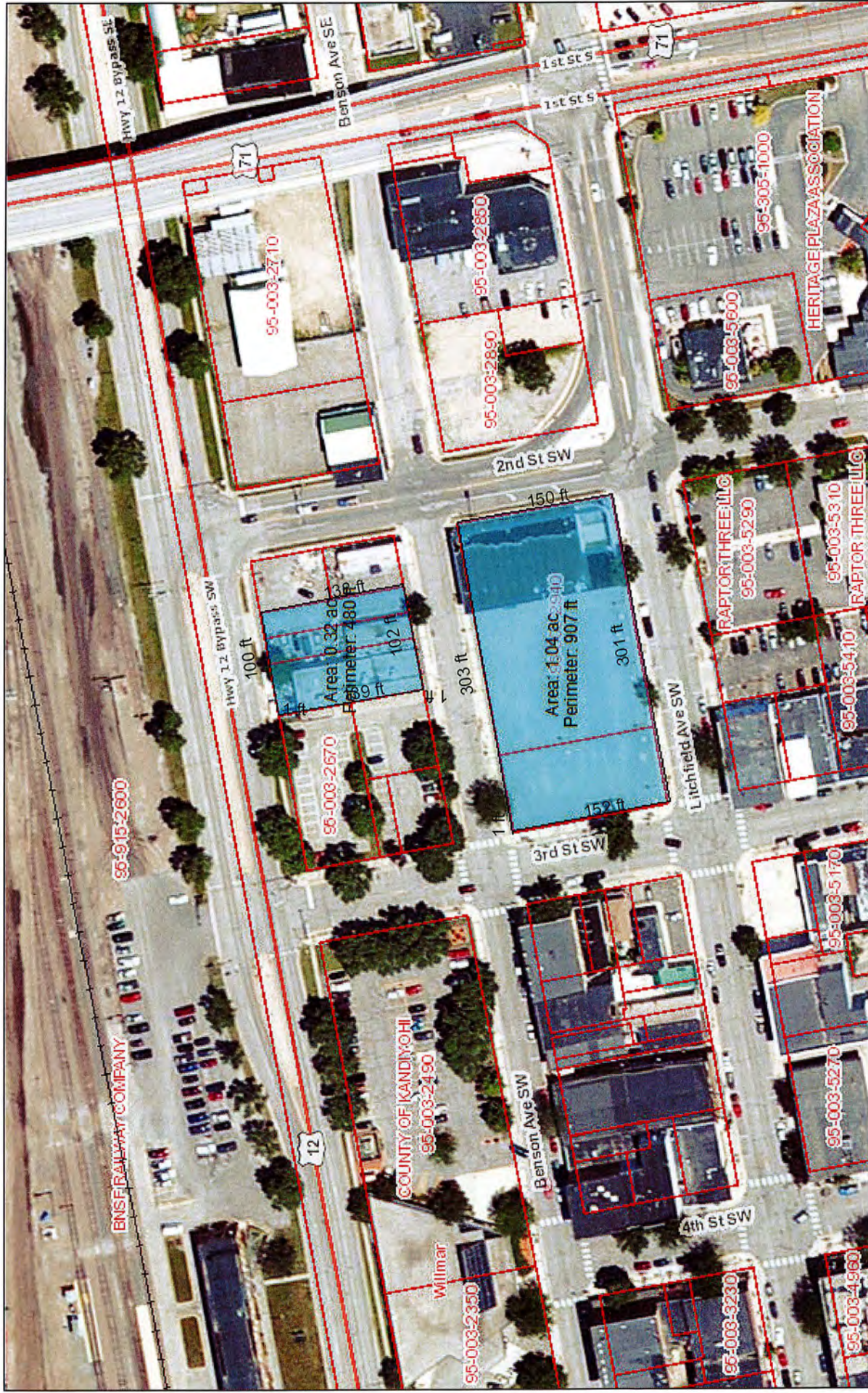
Review draft 2016 goals. Tabled until next meeting.

Committee membership. Tabled until next meeting.

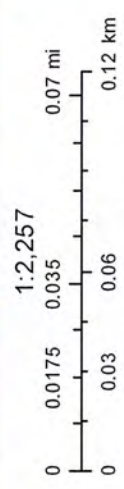
ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 10:19 p.m.

NEXT MEETING—The next regular committee meeting is **9:00 a.m., November 18, 2016**, in the EDC Board Room.

Willmar Downtown Mills Site



October 19, 2016



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Kandiyohi County
This is NOT an Official County Map or Survey