

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

FINANCE COMMITTEE HYBRID MEETING

MINUTES

June 22, 2021

EDC Office, Willmar and Via Zoom Video Conference

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

Via Zoom: Travis Jones and Justin Schnichels

Excused: Nick Dalton

Guests: Abdiweli Yusuf and Bashir Yusuf, Amin Grocery; and Brian Samuelson, Co-Op Credit Union

Staff: Aaron Backman, Executive Director and Sarah Swedburg, Business Development Manager

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

Chairperson Matt Behm called the meeting to order at approximately 12:02 p.m. and welcomed Abdiweli Yusuf and Brian Samuelson.

NEW BUSINESS

Loan Application Review. Brian Samuelson provided information on the funding being provided by the Co-Op Credit Union to Amin Grocery. The Co-Op Credit Union will issue two loans, one for \$120,000 and the second for \$45,000 that the EDC is being asked to guarantee. Abdiweli Yusuf provided information on his business Amin Grocery and his background.

[Bashir Yusuf joined the meeting.]

Bashir Yusuf introduced himself and noted he will be managing Amin Grocery in his brother's absence while he is in Africa for a period of time.

Sarah Swedburg stated Abdiweli Yusuf was a participant in the 2019 Retail Business Design Workshops sponsored by the EDC and University of Minnesota Extension and most recently a graduate of the EDC's first Elevate Business Academy. Yusuf stated the two programs have helped him greatly in running his business. Swedburg requested a waiver of the EDC's condition that the business be owned and operated by the borrower less than 36 months. Yusuf is currently renting a location in the old Lakeland Hotel building next to Somali Star. He is looking to expand his business and plans to purchase the former Public Defender's office at 430 Litchfield Avenue SW. A big front window will be added to the building and possibly on the north side, if he expands through the entire building plus he will have new signage. Samuelson

stated it has not yet been determined if there will be a separate holding company for the real estate. An appraisal has been ordered.

[Aaron Backman joined the meeting.]

[Yusuf, Samuelson and Bashir were excused from the meeting.]

Backman noted Amin Grocery was started in 2013 and Yusuf purchased it in 2015; it has been doing relatively well, even during the pandemic. Swedburg stated life insurance is a concern for Yusuf because of Sharia law. Southwest Initiative Foundation is willing to do its loan without the requirement of life insurance. Swedburg stated the building was built in 1927. Following discussion, including whether to do a loan guarantee or a direct loan,

IT WAS MOVED BY Kerry Johnson, SECONDED BY Les Nelson, to recommend to the Kandiyohi County and City of Willmar Joint Operations Board that it approve a 10-year \$45,000.00 loan under the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund Program at 4.5% interest, subject to a second mortgage in the real estate and building. MOTION CARRIED.

AGENDA—

IT WAS MOVED BY Les Nelson, SECONDED BY Allen Huselid, to approve the Agenda as emailed. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Kerry Johnson, SECONDED BY Allen Huselid, to approve the Minutes of the May 11, 2021 meeting. MOTION CARRIED.

UNFINISHED BUSINESS

Spurs Loan Amortization. The committee reviewed a new amortization schedule proposed for Spurs. Backman gave an update on Spurs. Spurs received new funding from the Latino Economic Development Commission contingent upon a lease extension by Rethos. The new loan was used to payoff a non-performing business partner. Backman will request financial information on Spurs for 2019, 2020 and 2021 to date.

Other. Les Nelson announced he will be retiring from Mid-Minnesota Development Commission effective June 30, 2021 and submitted his resignation from this committee.

IT WAS MOVED BY Travis Jones, SECONDED BY Kerry Johnson, to accept, with regrets, the resignation of Les Nelson from the Kandiyohi County and City of Willmar Economic Development Commission's Finance Committee. MOTION CARRIED.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 1:03 p.m.

NEXT MEETING—The next committee meeting is **12:00 p.m., Tuesday, July 13, 2021** in person and via Zoom video conference.