

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
BUSINESS RETENTION AND EXPANSION/RECRUITMENT (BRE/R) COMMITTEE  
MINUTES**

**September 7, 2018  
Spurs Bar & Grill, 313 Historic Building, Willmar**

Present: Jim Ellingson, Les Nelson, Roger Imdieke, Dean Steinwand, Dan Tempel and Kelly TerWisscha

Excused: Sam Bowen, Les Heitke and Ranae Rahn

Guest: Jennifer Mendoza, CLUES Navigator

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

Secretarial: Diane Beck, Legal & Administrative Assistants (LAA)

Vice Chair Les Nelson called the meeting to order at approximately 9:06 a.m.

**AGENDA**—Vice Chair Nelson presented the Agenda.

IT WAS MOVED BY Kelly TerWisscha, SECONDED BY Jim Ellingson, to approve the Agenda. MOTION CARRIED.

**UPDATE ON SPURS BAR & GRILL.** Aaron Backman introduced Aydee Lopez, co-owner of Spurs Bar & Grill, located in the Historic 313 Building, who gave a tour of the new facility. Backman shared the Latino Economic Development Center participated in a \$30,000 loan for restaurant renovations and equipment. Lopez provided hors d'oeuvres for the committee.

**MINUTES—**

IT WAS MOVED BY Roger Imdieke, SECONDED BY Jim Ellingson to approve the August 3, 2018 Minutes as emailed. MOTION CARRIED.

**REPORTS/PROJECT UPDATES**

**Childcare Initiative.** Connie Schmoll gave an overview of the United Community Action Partnership (UCAP) meeting held on July 27<sup>th</sup> and a second meeting on September 7<sup>th</sup> where Jessica Beyer of First Children's Finance (FCF) led a two-hour discussion and planning process. In addition to the Childcare Innovation Project a delegation of state senators held an evening listening session at the Willmar Fire Station to discuss the statewide childcare shortage. Prior to the evening session the EDC held an informal discussion with community

childcare leaders and business representatives at Jennie-O corporate headquarters. Schmoll shared Kandiyohi County has need for childcare for approximately 750 children. Additional planning meetings will be held.

Backman mentioned two upcoming meetings:

1. September 20, 2018, 7:00-9:00 a.m., “International Trade & Tariffs—What’s the Impact for You?” sponsored by the Willmar Lakes Area Chamber of Commerce and the EDC (see attached). Schmoll provided information on the speakers for the event. Backman announced If committee members choose to attend, the EDC will pay their \$15 registration fee.
2. September 20, 2018, 11:30 a.m. the Minnesota Public Transit Association will hold a community forum on transportation issues, sponsored by the Transportation Alliance and Willmar Lakes Area Chamber of Commerce. A Highway 23 update will also be shared. Backman will send the flyer to the committee.

#### **CLUES UPDATE—**

**Diverse CNA.** Jennifer Mendoza, CLUES Navigator, reported employment verification has been sent to each participant and she is in the process of conducting outreach and recruitment. New recruitment flyers will be prepared. Both classes are already half full and are a mixture of genders and ethnicities. Mendoza stated the application process is a two-hour process. She is working with class participants at the Willmar Public Library. The new CNA class will begin September 24<sup>th</sup>; classes will be five days a week from 4:00-9:00 p.m. She hopes the target of 10 participants will be met.

**Diverse Welding.** Mendoza shared that most of the welding class participants are currently employed. A new class will start in October.

Mendoza reported CLUES is anxious to secure a new location with around 1,200 sq. ft. in the Willmar downtown area. When a new location is secured CLUES would like to offer more language opportunities. Mendoza will send Backman the number of current registrations and past numbers of class completions.

Mendoza suggested a meet-and-greet be held between employers and potential employees, i.e., graduates of the CLUES program. Schmoll will look into Mendoza’s suggestion.

**Business Visits/Tours.** Schmoll reported she attended the 2018 FAM Tour in Chicago, Illinois, on August 21-24<sup>th</sup>, along with 23 staff from the Minnesota Department of Employment and Economic Development, as well as other economic development leaders from Minnesota. The event enables states nationwide to showcase their state to site selectors for commercial realtors looking for locations for businesses. Schmoll shared an overview of the event (see attached) and stated it was the most effective, interesting and organized event she has attended in the past three years and noted she also received follow-up contacts.

Backman reported:

- He has been presenting 2019 Highway 23 Coalition membership information to county boards and city councils and reported the response has been going very well. Currently, the Coalition has verbal commitments of \$31,000 with \$5,500 having been received. Backman commented he hopes to double the number of memberships by counties and cities for 2019. A new map will be prepared showing the expanded Highway 23 Coalition boundaries.
- On highlights of his recent family vacation to Finland.
- He will attend the groundbreaking ceremony for the new Coop Credit Union across from Aldi's in Willmar on September 17<sup>th</sup>. TerWisscha Construction is the contractor.
- The Highway 23 Coalition membership meeting will be held on October 26<sup>th</sup> at the Little Crow Golf Resort.

#### **UNFINISHED BUSINESS**

**West Central Job Fair.** Backman announced the upcoming West Central Minnesota Area Job Fair will be held September 18<sup>th</sup> at the Willmar Conference Center. Currently 15 companies have secured booths and additional companies are welcome. The cost for vendors is \$300 prior to September 10<sup>th</sup> and \$350 after September 10<sup>th</sup>. The 2019 Job Fair may be held at Ridgewater College. Discussions have also included holding the event at the Kandi Mall.

[Imdieke was excused from the meeting.]

#### **NEW BUSINESS**

**BRE Survey.** Schmoll provided information and the process used for the BRE Survey conducted in 2015-2016. Among the top issues that surfaced from the survey included childcare, Highway 23 and property taxes. Schmoll inquired if this committee is interested in conducting another survey, possibly online. Committee members felt it would be an excellent idea to conduct another survey. Orientation and training would be conducted for survey volunteers. Schmoll provided information on Synchronist, a database software the EDC uses to track businesses, prepare survey questions and generate reports. Schmoll will send the 2015-2016 BRE Survey information to the committee.

**Willmar Retail Committee.** TerWisscha inquired if Willmar has a retail committee to encourage additional retail businesses and, if not, suggested this committee form a Retail Subcommittee, possibly in partnership with RockStep Capital and other retail businesses that offer national brands. Backman felt it would be a good idea and that it would be beneficial to develop a retail flyer.

Backman shared the EDC has been working with the Mid-Central Research and Outreach Center on a retail merchandising initiative. TerWisscha mentioned the poor condition of the Kandi Mall parking lot and updates needed in the mall. TerWisscha suggested a presentation regarding the proposed retail program be prepared and Backman concurred.

[Schmoll and Mendoza were excused from the meeting.]

**Business in Focus Magazine.** Backman reported the August 2018 issue of the *Business in Focus* magazine contains a six-page article entitled *That #KanDo Mentality That Can Only Mean Success*, which takes a closer look at the EDC and its initiatives. An article on Kandiyohi County was also featured in the September 2017 issue of *Business In Focus* and featured workforce. Backman stated the magazine has a national distribution of 400,000. The magazine is available online; Backman will send the link to the BRE Committee.

**Other.** Backman shared construction of 15<sup>th</sup> Street Flats has begun north of the Pizza Ranch. The contractor is Commonwealth Development. Backman mentioned conversations continue regarding a possible logistic company coming to Willmar. Ellingson inquired about the possibility of Herberger's returning to Willmar—Backman has not heard any details. Backman reported on the following: Unique Construction of Fergus Falls signed a purchase agreement on land in northwest Willmar for a potential multi-family housing project; Ziegler will be constructing a new building on Highway 71 south across from Arnolds; and a company is interested in constructing a market-value housing project on property south of Lakeland Elementary School—discussions are ongoing with the Willmar School District.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at approximately 10:40 a.m.

**NEXT MEETING**—The next regular committee meeting is **9:00 a.m., October 5, 2018**, in the EDC Board Room.

## Public Welcome with RSVP



## International Trade & Tariffs—What's the Impact for You?

**Thursday, September 20<sup>th</sup>, 2018**

**7:00-9:00 am**

**Cost \$15**

**Willmar Conference Center**

(240 23rd St SE, Willmar)

Acting Consul General of Canada, Suzanne Cormie, and Jeff Phillips, from the Minnesota Department of Agriculture, will discuss the importance of trade within North America and around the globe. They will provide useful information on their offices, roles, and responsibilities. Participants can expect to learn more about the impacts of tariffs on ag producers, area businesses across industries, and consumers. An interactive Q and A and comment session will follow.

**7:00-7:30 am**

**Breakfast & Networking**

**7:30-8:30 am**

**Suzanne Cormie**

Consul General of Canada (acting)

**Jeff Phillips**

International Trade Manager for MN Department of Agriculture

**8:30-9:00 am**

**Moderated Q&A Session**

With Doug Loon, President Minnesota Chamber of Commerce



**RSVP**

**[chamber@willmarareachamber.com](mailto:chamber@willmarareachamber.com)**

**Deadline September 18<sup>th</sup>**





## 2018 FAM TOUR

AUGUST 21-24, 2018

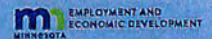


### MINNESOTA MARKETING PARTNERSHIP & MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

AUGUST 21-24, 2018

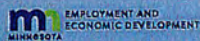
## DEED + 54 Partners = Minnesota Marketing Partnership

- In 2002, DEED, EDO's, Utilities, Private Sector came together to form "Positively Minnesota", now known as the Minnesota Marketing Partnership; a dues paying consortium of 54 organizations (129 individual members) as of 2018
- This partnership creates a mechanism to leverage combined resources to:
  - promote Minnesota
  - change perceptions,
  - highlight the assets of Minnesota



## Business Attraction and Expansion

- We (MN DEED) are actively working on ~100 projects at any given time (121 proj. – 5 year high; 77 proj. – 5 year low)
- Our pipeline consists of 47 metro Twin Cities projects and 54 projects in Greater MN (as of August '18)
- 40% are new to MN, 60% are expansions-existing MN ops, consolidations, relocations, or a mixed scenario
- 5% of leads/projects are FDI related
- 10 acres – 400 acres (*current range of greenfield client needs*), investments from \$1M - \$800M, 5 jobs to 500 jobs
- About 15% of current projects are represented by consulting professionals/firms



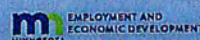
## Business Attraction and Expansion

- Recent leads/projects examples include:
  - Data centers (mostly within one hour of Twin Cities)
  - Aerospace design/assembly (Twin Cities/Duluth)
  - Food processing (Statewide)
  - Customer care facility/call center (urban and micro-urban settings)
  - Two bio-energy projects (rural and northern MN)
  - Organic/aquaponics/hydroponic growing facilities (statewide)
  - Medical device design and manufacturing (mostly Twin Cities and Rochester area)
  - Composite materials (SE Minnesota)



## Examples of large projects for 2017-2018

- Post Brands expansion in Northfield - **\$90M**, added capacity for cereal production. Competed against NC operations
- Digi-Key expansion in Thief River Falls - **\$200M**, added **300 jobs** (additional phases expected), wholesale electronics parts distribution, competed against ND/SD
- Prime Therapeutics – new headquarters expansion in Eagan – added **225 jobs** and invested **\$50M**, pharmacy services, competed against FL and TX
- Uponor expansion in Hutchinson- added **140 jobs** and invested **\$60M**, expansion of pex tubing production (new plant)
- Daikin Applied America expanding new facility in Faribault, adding **132 jobs** and investing **\$66M** for new commercial HVAC products, competed against TX and Mexico (new plant)



## Announced Projects for 2017-2018

Year	Location	Company
1	Chaska	Midwest Systems, Inc.
2	Spring Lake	Spring Lake Systems, LLC
3	Chaska	Chaska
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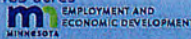
- Over 7,000 new jobs announced
- Over \$3.2 billion invested in MN, including \$200M in data center projects
- Sampling (to the left) of projects of various industries, locations, employment





## Shovel Ready Certified Sites

- DEED's Shovel Ready program has **33 certified sites** across MN from 10 - 275 acres
- 11 participating communities experienced development in their parks in 2016/17;
  - 4 sites are currently under consideration for projects
- Industries ranged from data centers, trucking/logistics, brewing, aerospace parts and medical device mfg.
- Great River Energy and Xcel Energy have certified sites programs with the following:
  - Great River Energy has **8 certified sites** ranging from 19-120 acres
  - Xcel Energy has **9 certified sites** ranging from 39 – 485 acres



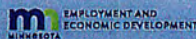
## Workforce & Demographics

- Minnesota is experiencing its lowest unemployment rate in 18 years (3.0%), and added 11,200 jobs in July.
- *However, Minnesota is being viewed as a destination for and is gaining residents, such as Millennials, as shown below:*



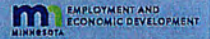
## Financial Assistance

- **Programs to assist competitive projects**
  - Minnesota Investment Fund(MIF) – *loans/forgivable loans; fund has \$19M, max award per project is \$1M*
  - Minnesota Job Creation Fund (MJCF) – *performance based award; fund has \$13M, max award is \$1M*



## Infrastructure Assistance

- **Programs to assist communities/projects**
  - Greater MN Business Development Public Infrastructure (BDPI) – *eligible outside 7 county Twin Cities metro; fund has \$5M*
  - Innovative Business Development Public Infrastructure (IBDPI) – *statewide eligibility; fund has \$2.5M*

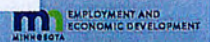
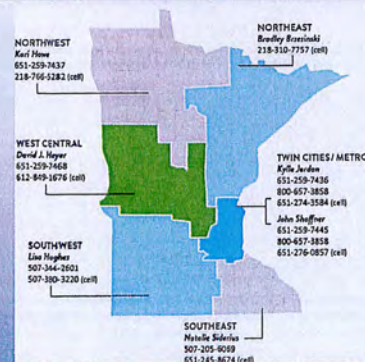


## Job Training Assistance

- **Job Training Assistance Programs**
  - Minnesota Job Training Incentive Program (JTIP) – *eligibility in Greater MN, excludes 7-county Twin Cities Metro. Budget for FY2019 increases to \$1.3M; Max award is \$200K*
  - Minnesota Jobs Skills Partnership (MJSP), available statewide; \$6M Fund. Max award is \$400K



## Regional Business Development Managers





## Thank you

- Please visit [www.CompareMN.com](http://www.CompareMN.com) for more information and details about economic development in Minnesota.