

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)**  
**FINANCE COMMITTEE**  
**MINUTES**  
**February 8, 2022**  
**EDC Office, Willmar, and Via Zoom Video Conference**

Present: Matt Behm, Kerry Johnson, Michelle Marotzke, Justin Schnichels and Kelly TerWisscha (via Zoom)

Excused: Nick Dalton, Allen Huselid and Travis Jones

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 12:07 p.m. and welcomed new member Kelly TerWisscha, who represents the EDC's Joint Operations Board.

**AGENDA**—There were no changes to the Agenda.

**MINUTES**—

IT WAS MOVED BY Kerry Johnson, SECONDED BY Justin Schnichels, to approve the Minutes of the December 14, 2021 meeting.

**UNFINISHED BUSINESS**—There was no new business.

**NEW BUSINESS**—

**Amin Grocery Loan Deferral Request.** Sarah Swedburg reported Abdiweli Yusuf, owner of Amin Grocery, is requesting another three-month deferral of his loan payments due to increased remodeling costs caused by ADA compliancy requirements. Yusuf made one loan payment in October and this committee approved deferring the payments for November 2021 through January 2022. Swedburg stated additional funds are being sought for the ADA requirements. Information on the construction delays was provided.

IT WAS MOVED BY Kerry Johnson, SECONDED BY Michelle Marotzke, to approve a second three-month deferral of payments (February, March and April 2022) by Amin Grocery on its Revolving Loan Fund loan with the Kandiyohi County and City of Willmar Economic Development Commission, subject to interest being paid from the date of closing to present. MOTION CARRIED.

**Cheers of Raymond.** Swedburg reported an article was recently in the *Clara City Herald* newspaper (see attached). Jessica Berghorst, the new owner is getting good traffic for Valentine's Day and the Super Bowl. Swedburg provided an update on the EDC's loan, including recording of the loan modification and filing a UCC amendment (see attached). Johnson reported Berghorst's sales are good. She had to add some required items for an additional cost and has had help from some community members to get required changes completed. Swedburg will be providing Berghorst with information on the Elevate Community Business Academy.

**Year-End Review.** Aaron Backman reported of the 29 zero percent loans under the COVID-19 Business Assistance Loan program, 6 paid off early, 21 are current and 2 are delinquent. Somali Bride has had cashflow issues and the owner taking on additional work. The EDC is working with her. The other delinquent loan is Kandi Adult Care, which has never made a payment. A claim was filed in Conciliation Court and a hearing is set for April 11, 2022.

The committee reviewed the outstanding loans under the Revolving Loan Fund program. Backman noted the loan to Happy Family Asian Grocery Store will be paid off with the February payment and REDstar's final payment was in December. Southwest Initiative Foundation (SWIF) started legal action against Willmar Child Care Center for non-performance since the lead lender has not taken any action. The African Development Center never signed the Intercreditor Agreement that was signed by SWIF, EDC and Mid-Minnesota Development Commission. The property is listed for sale on MLS. The EDC has two potential providers that are interested in taking over the location. The business obtained pandemic relief funds to continue making its payments. Nancy Birkeland stated the EDC's ACH payments will end at some point as the borrower's bank was bought by another bank and a new form is needed. Backman stated Willmar Child Care Center has a license and occupancy certificate, but it has chosen not to open up to this point.

The committee reviewed the outstanding loans under the Microenterprise Loan Program. Spurs will be paying its January payment today. Re-Cover Temp Agency is delinquent two months. Backman has been in contact with the owner Kevin Bronner.

**Elevate Community Business Academy.** Swedburg reported the third class for the Elevate Community Business Academy is scheduled for March 17-June 9, 2022 from 5:30-8:30 p.m. at The Goodness and virtually, if needed. The Ideal class size is 10-12 and there is a wait list of about 20. The EDC gave a presentation on the program to the Willmar Lakes Area Chamber of Commerce's Public Policy Committee. The EDC was notified that a portion of the grant funds received for the program can be used to translate course work into Somali. Rising Tide Capital and SWIF entered into an agreement on translating the material and who owns it. There are about 15 potential Somali students. A graduate from the last class is being trained as a trainer; he is bilingual in Spanish and English.

**Other.** Backman informed the committee that the EDC's new employee, Kelsey Olson, is now handling the EDC's marketing. Backman provided information on the Workforce Solutions Summit, that had a national speaker and two individuals from the Minnesota Department of Employment and Economic Development. Attendees divided up into 13 groups to discuss specific employment issues. The EDC will be co-hosting a virtual job fair on February 23<sup>rd</sup> from 11 a.m. to 2 p.m. Employers can reserve a virtual booth and do live chats with potential employees. A registration link is on the home page of the EDC's website. There will also be a community booth. Marotzke

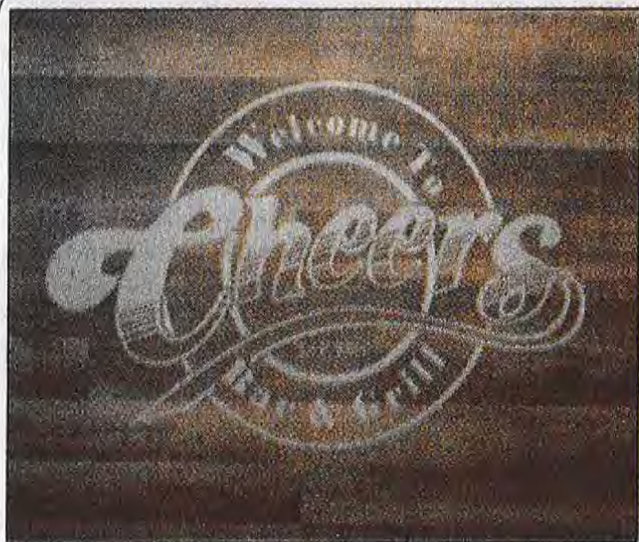
noted employers are finding they need to market features of their community along with their positions. Employees are also wanting to work differently after the pandemic so employers have to be flexible in their job offerings.

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

IT WAS MOVED BY Kerry Johnson, SECONDED BY Justin Schnichels, to adjourn the meeting.

The meeting was adjourned at approximately 1:01 p.m.

**NEXT MEETING**—The next committee meeting is **12:00 p.m., Tuesday, March 8, 2022** at the EDC office.



## Cheers reopens after more than two months

With ownership and liquor license issues resolved, Cheers is open to public

By Sam Peterson

1/19/22

For more than two months, the town of Raymond has been without their favorite watering hole, Cheers Restaurant and Lounge. The doors of the local establishment were opened back up to the public on Jan. 13 under the ownership of Jessica Berghorst.

Berghorst managed Cheers for a couple short weeks before the business had to be closed, but she began immediately working with United Prairie Bank and was able to get the ownership transferred to her name.

While Berghorst has 20 years of experience in the service industry, she never faced any situation remotely similar to what she found herself in with Cheers. After getting the ownership of the business, Berghorst was just waiting to hear back from the State for her liquor license. During that time, Berghorst did a number of minor facelifts to the inside of the building to make sure it will pass the health inspection.

The liquor license was not a speedy process and eventually, Berghorst decided Cheers was going to open on Jan. 13 and if they did not have the liquor license yet, they would just serve food. Luckily for Cheers, they were awarded the liquor license on Jan. 12 and the bar was able to fully open on Jan. 13.

It has been a long road for Berghorst to get Cheers back up and running, but seeing all the supportive faces coming out to support her on Jan. 13 made all of her work worth it. "I am very thankful for this wonderful community and everyone that pulled together to help me get everything done so quickly. A lot of hard work and phone calls happened to get all the things done," Berghorst said.



Kandiyohi County & City of Willmar  
ECONOMIC DEVELOPMENT COMMISSION

TO: Finance Committee

FROM: Sarah Swedburg  
Business Development Manager

DATE: February 8, 2022

RE: Cheers Loan Update

Since the Finance Committee's last meeting in December, 2021, the EDC has successfully transferred the \$25,000 loan with High Intensity Fitness, LLC dba Cheers in Raymond loan from Trevor Johnson's Estate to Jessica Berghorst. The motion passed by the Committee in December approved beginning payments in April, 2022 with no interest accruing until that first payment date. As such, the EDC's attorney directed us to prepare a new Personal Guarantee, a Change in Terms Agreement, an amendment to the UCC filing, and a Mortgage Modification that documented the maturity date extension to March, 2029. All documents were signed by Ms. Berghorst as the new President of the LLC and filed accordingly on December 21, 2021.

After unexpected updates were required by the Department of Health, Ms. Berghorst received the new liquor license on January 12, 2022 and fully reopened on January 13 - a day short of 10 weeks after the business had to temporarily close on November 5, 2021.

The transfer of ownership and continuation of this Raymond business would not have been possible without the leadership from United Prairie Bank and the EDC Finance Committee, as well as the time and dedication from Ms. Berghorst and the Raymond community. On behalf of EDC staff, we want to thank all involved for helping us continue to be a catalyst for economic growth in the greater Kandiyohi County Area.