

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

MINUTES

June 14, 2023

EDC Boardroom and Via ZOOM Video Conference

Present: Corky Berg, Samantha Crow, Jim Ellingson, Steve Gardner, Les Heitke and Mary Warszynski

Excused: Sam Bowen, Roger Imdieke, Bridget Paulson and Kelsey Vosika

Absent: Jennifer Mendoza

Guest: Jake Stricherz, West Central Dental

Staff: Aaron Backman, Executive Director and Kelsey Olson, Marketing and Communications Specialist

Secretarial: Cathy Skindeliem, Legal & Administrative Assistants, Inc.

Chair Jim Ellingson called the meeting to order at approximately 1:01 p.m.

AGENDA—The agenda was approved as emailed.

MINUTES—

IT WAS MOVED BY Corky Berg, SECONDED BY Mary Warszynski, to approve the Minutes of the March 3, 2023 meeting as emailed. MOTION CARRIED.

Self-Introductions were conducted.

UNFINISHED BUSINESS—

Virtual Career Fair Update. Kelsey Olson reported two virtual career fairs have been conducted using the Premier Virtual platform, with the last one occurring in May. Over 50 businesses participated with approximately 20 job seekers registered. Partners included Renville, Redwood, Meeker and Swift Counties. Advantages of virtual career fairs are as follows:

- Virtual booths can be created in 30 minutes
- No travel time
- Applicants can log on at any time
- Search can be conducted by type of job
- Applicants can chat with businesses or interviews can be conducted

Quarterly meetings will be held with the virtual career fair partners in an effort to grow and support each other. Three more job fairs are scheduled with Premier Virtual providing recruitment support. A business-only fair will occur in late July in coordination with the Willmar Lakes Area Chamber of Commerce. A second

fair will feature care facilities, such as Bethesda in August or September. A third fair, in October, will be offered for manufacturers in conjunction with Minnesota Manufacturing Month.

A workforce solutions summit is planned for the first quarter of 2024. The previous summit, held in January, 2022, had 78 attendees that broke into 13 discussion groups. Topics discussed included accommodation for non-English speaking applicants and finding people who want to work.

Willmar High School's Student and Career Expo expanded this year to include all schools in Kandiyohi County. Transportation to the event was provided by the Southwest Initiative Foundation (SWIF). Atwater-Cosmos-Grove City High School and Community Christian School participated.

Elevate Update. Backman reported the Elevate Community Business Academy is an entrepreneurship training program in partnership with Rising Tide Capital. Graduation of the Spring 2023 class will be held at Sibley Auditorium on the MinnWest Technology Campus on June 27, 2023 from 6:00-8:00 p.m. Nineteen students will graduate, including five from the first-ever Spanish class. The classes included 11 women, one is a veteran and 14 diverse students. Over the last year, Elevate students have accessed over \$1 million in loan capital for their businesses. A new twist on Elevate is in the development stage and will provide a continuation of the Kandiyohi County Creating Entrepreneurial Opportunities (KCEO) program, to support students with operationalizing their businesses. The dates for the next Elevate class are not finalized, with a target of late August through mid-December. The fall class will be done solely in English. Swedburg will not be an instructor, but will stay active in management and administration of the program. The EDC is working with SWIF in search of funding sources and hopes to work with McKnight Foundation. Local sponsorship will be pursued and a 60-day extension of Department of Employment and Economic Development (DEED) funding has been requested for execution of a Small Business Owner Education Series, which will occur in July and August pending the extension.

Ridgewater College Commercial Driver's License (CDL) Grant Update/Next Steps. Ridgewater College is making good progress on the CDL grant contract. Requests for proposals have been submitted for the design, and construction is projected to begin in 2024. Willmar is one of very few cities that has a CDL training program. The course lasts 12 weeks and requires 30 hours of behind-the-wheel training at a cost of approximately \$5000. Testing availability remains an issue.

NEW BUSINESS—

Housing Studies/Developer Resources. Backman reported he presented the Kandiyohi County and City of Willmar Housing Studies to a group of elected officials, city representatives and concerned citizens from various agencies, including Family Promise, United Community Action Partnership (UCAP) and the Rural Housing Coalition in an event sponsored by ISAIAH. Minnesota State Representative Michael Howard, chair of the Housing Finance and Policy Committee, shared a summary of new legislation. Demand is high for senior housing, twin homes and small homes. High construction and materials cost are major factors. State-funded construction projects need to pay prevailing wage, which can add 15-20% to the cost of the project. Multi-family units can drive down costs with the help of tax credits. The Kuepers project is renting at market rate with no tax assistance, one-bedroom units rent for \$895 to \$945 per month, and two-bedroom units \$1095 to \$1145. Lower-income families are struggling to find safe housing. Community-led conversations will continue with a focus on affordable housing.

REPORTS—

Childcare Grant Update. The EDC, in partnership with Mid-Minnesota Development Commission (MMDC), was awarded \$200,000 from the Child Care Economic Development Grant through DEED. Additional

support includes \$150,000 from Kandiyohi County, \$100,000 from the City of Willmar and \$100,000 from SWIF. Demand has exceeded expectations, with 10 family operations and 4 daycare centers requesting funding. Ten providers were located in Willmar, two in New London and two in other areas. Forgivable loans are offered for items such as door and window replacement, basement renovations, insulation, heating, ventilation and air conditioning replacement and outdoor play space projects. Requests totaled \$245,000 in the first two months, with \$127,000 awarded. Other areas of support include:

- Transportation—a grant request was fulfilled for “Book Buddies with Bethesda,” a Willmar Public Library program that connects residents of Bethesda to kids in a reading program.
- Mentorship—people with 5 years or less experience in day care will be connected with those who have over 25 years of experience. The mentorship program will begin in mid-July.
- Technology Assistance—a new mandate requires reports to be filed digitally and grants are available to furnish laptops and iPads to help meet this requirement.
- Language Accommodation—in partnership with United Community Action Partnership (UCAP), the EDC will assist non-English speaking parents in finding childcare.
- Employee Assistance—will be launched in mid-July.

The EDC will partner with UCAP in hiring a Childcare Community Coordinator. The proposed position will work 60% at UCAP and 40% at the EDC. UCAP will be the primary employer, with the EDC reimbursing UCAP for an agreed upon sum. The EDC Joint Operations Board supports the position and the Joint Powers Board will consider it at its July meeting. On Monday, June 26, 2023 the EDC, Kandiyohi County, MMDC and UCAP will host a childcare event at the 4-Seasons Shelter at Robbins Island. Resources will be available in English and Spanish for anyone looking to open a daycare.

CLUES. A CDL course will begin in August. In the previous CDL class three students obtained licenses and one was employed a week later. A second student had a job interview last week, while the third became licensed on June 8. A customer service and banking course is underway.

CENTRAL Minnesota Jobs & Training Services (CMJTS). Steve Gardner reported CMJTS will conduct an Operation Exploration healthcare camp, where junior and senior high school students can investigate careers in health care.

On August 17, 2023 the Economic Development Association of Minnesota (EDAM) will tour Willmar, beginning at the 4-Seasons shelter in Robbins Island, then travelling to Block 25 Lofts, the Willmar Industrial Park, MinnWest Technology Campus and ending at Mr. B’s Chocolates. Ted Schmid, Chief Executive Officer of Lumber One in Cold Spring will attend as a representative of Block 25 Lofts.

Artificial intelligence’s effect on the job market was discussed. It is advancing faster than anticipated, and could affect professionals in addition to manufacturing jobs. Robotic devices can be used for surgery and anesthesia can be automated. Backman reported a potato processing plant in North Dakota automated its system and reduced the number employees from 500 to 180. Prime West Insurance meets every five years to update its mission statement. Sixty people attended, broke into groups with a staff person taking notes. Artificial Intelligence was able to summarize all discussions and give immediate feedback to the group.

Jake Stricherz requested an update of housing efforts in downtown Willmar. Excluding Block 25 Lofts there are approximately 100 housing units downtown, primarily dated efficiency apartments. Many owners are not willing to invest money, particularly if they are from out of town. Redevelopment activities will be necessary, as there is a desire for more housing options. The old hospital building will be retrofitted to five or six units. The Renaissance Zone created incentives to encourage people to invest in downtown, including waiving taxes, sewer availability charges and water availability charges, consideration of tax increment financing projects and reduced hookup costs.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 2:33 p.m.

NEXT MEETING—The next committee meeting is **1:00 p.m., Wednesday, September 13, 2023** at the EDC Boardroom and via ZOOM video conference.

Save the date

GRADUATION CEREMONY, DINNER,
& ALUMNI VENDOR SHOW
TUESDAY, JUNE 27 | 6:00 - 8:00 PM

MINNWEST CAMPUS
SIBLEY AUDITORIUM



TO: Joint Powers Board

FROM: Sarah Swedburg
Business Development Manager

DATE: June 8, 2023

RE: Shared UCAP Child Care Position

In November 2022, the EDC was awarded a \$200,000 Child Care Economic Development Grant by the Minnesota State Department of Employment and Economic Development, matched locally with ARPA dollars from Kandiyohi County (\$150,000), the City of Willmar (\$100,000), and other local municipalities, along with additional dollars from the Southwest Initiative Foundation (\$100,000). Over the last six months, Staff (primarily Sarah and Kelsey, along with support from Nancy and Cathy) have been spending numerous hours designing and administering this program.

Throughout the management of this program, the need for a position dedicated to the management of community-level child care grant programs and relationships is critical for us to be most successful in addressing our child care priorities at the EDC. After identifying this need, EDC staff began conversations with the United Community Action Partnership about a unique partnership to create a shared position with these goals in mind. This position would work to manage local grant programs for child care, foster relationships with professionals that support child care providers, and support the Kandiyohi County Rural Child Care Innovation Program group. The Child Care Community Coordinator/Program Manager's time will be split 60/40 (UCAP/EDC) between our organizations.

With this in mind, Staff's recommendation to the board today is to approve up to \$42,000 over the next 18 months in funding to contribute to the United Community Action Partnership's new Child Care Community Coordinator/Program Manager position. This \$42,000 would be split between 2023 (up to \$14,000) and 2024 (up to \$28,000).

Kandiyohi County Child Care Economic Development (CCED) Program

Forgivable Loan Application

Contacts

Program Administrator
Kandiyohi County & City of Willmar
Economic Development Commission (EDC)
Sarah Swedburg
sarah@kandiyohi.com
(320) 905-0069

Program Representative
Mid-Minnesota Development Commission (MMDC)
Michelle Marotzke
michelle.marotzke@mmdc.org
(320) 287-1737

Anyone needing one-on-one assistance with completing an application should contact Sarah or Michelle (contact information above). If they are unavailable, you can also contact the EDC at (320) 235-7370. Interpreters, or any other needed accommodations, are available upon request.

Applications are due by 8 a.m. on the 2nd Friday of the month to be considered on the 4th Thursday of the month. Applications will be reviewed and approved on a monthly rolling basis through December 2023. If any language within these guidelines and application conflict with program guidelines of the Minnesota Child Care Economic Development (CCED) Program or State Statute, State Statute and State guidelines will prevail.

Forgivable loans is not the only activity a part of this program. Learn more at:
www.kandiyohi.com/business/child-care-economic-development-grant/

Step 1: Review Program Guidelines

The Minnesota CCED Program was created to support the implementation of solutions to reduce the child care shortage in the state. In November 2022, the EDC was awarded \$200,000, matched with \$377,300 locally, to support child care providers in Kandiyohi County. The largest activity created as part of this program is a forgivable loan program for existing and new child care providers looking to maintain licensing or expand their licensing capacity for non-school age children (ages 0 to 5 years for Family Providers and ages 0 to a child's first day of Kindergarten for Centers).

Forgivable loans are available in the amount of up to \$12,500 maximum for in-home family providers and \$40,000 for child care centers in Kandiyohi County. No matching funds are required from applicants. For existing in-home family providers, forgivable loans will have a 0% interest, two-year term. For new in-home family providers, centers, or those renovating a commercial space for a provider, forgivable loans will have a 0% interest, three-year term.

Building owners who are applying for the cost of construction to remodel an existing space for child care also have a three-year term starting on the date the agreement is signed. Within six months of the date the agreement is signed, building owners must have a signed agreement to rent to a licensed child care provider. Rent for the licensor must be a three-year lease commitment with a set rent. This person may not be currently licensed at the time the agreement is signed, if they are currently working on becoming licensed.

Construction must be complete and state/county licensing of the location approved within nine months of signing the agreement. The location must be in operation, licensed and serving children within 12 months. If these requirements are not met, you will meet with an EDC staff member to determine if an extension of these terms may be granted or if full repayment of the loan is necessary. The building must be up to licensing code, including making improvements deemed necessary by licensing and requested by the child care provider promptly as they relate to child safety and space functionality.

Individuals who are currently not licensed, including those starting centers, will have nine months to gain licensing. Those who have signed an agreement with a renter that has also received a loan will create an agreement that coordinates with that builder.

Eligible uses include, but are not limited to: child care business start-up or expansion, facility modifications, improvements, equipment, or supplies required for licensing, assistance with licensing and regulatory requirements, and direct subsidies or incentives to retain employees. Forgivable loans are not intended to be used as revenue for the financing of ongoing operations.

Only one forgivable loan request is permitted per applicant; however, the loan request may include multiple projects. In the event of an emergency which inhibits your ability to meet licensing requirements and/or provide safe care for children, contact Michelle or Sarah for an expedited review process.

All applications will be reviewed by the CCED Committee, and final determination rests with this committee. All applicants that receive a forgivable loan must comply with (1) the CCED Guidelines, (2) this Agreement, and (3) available funding.

1. The forgivable loan applicant certifies that he/she is an owner of record of the property where the funds will be used to finance repairs and/or improvements; or if not the owner of record of the property, has obtained the owner's written authorization to perform the repairs or improvements to be made. The property owner certifies that all property taxes are paid and up-to-date and will remain so throughout the entire project, until the end of the forgivable loan term.
2. The applicant must be a licensed provider (in good standing) by Kandiyohi County or the State of Minnesota Department of Human Services, or actively working with a licensor to obtain a provider license within nine (9) months of receiving a loan. Additional time to achieve licensing will be reviewed on a case-by-case basis with the EDC.
3. Work performed at the Property shall be stated in the contractor(s) bid(s) obtained by the forgivable loan applicant or the materials list submitted with the application.
4. All work performed at the property must meet appropriate zoning code, building code, and building permit requirements, in addition to child care licensing requirements.
5. To the best of the applicant's abilities, all work must be completed and proof of project completion must be provided to the Program Administrator (Sarah) by December 31, 2023. Additional time needed will be taken on a case-by-case basis. The applicant is responsible for ensuring that the work is satisfactory before paying the contractor(s).
6. Forgivable loan recipients must submit the following items to the Program Administrator (Sarah) upon completion of the work. If more than one contractor is used, there must be complete sets of the items listed below for each contract/contractor:
 - a. Proof of final inspection by the appropriate building permit party. For work not requiring a building permit, call the Program Administrator (Sarah) to notify her the work is complete.
 - b. Final invoice from the contractor showing the total project cost.
 - c. Proof of payment paid to contractor and/or any other vendors. You should be totally satisfied with the work before your final payment.
7. Forgivable loan recipients must remain fully licensed and operational throughout the duration of the loan term. If you have a planned or unplanned closure of more than two weeks, you must notify the Program Administrator (Sarah).

8. If the forgivable loan recipient's license is suspended or business closes permanently, the recipient must notify the Program Administrator (Sarah) of this action within two weeks of the suspension or closure.

- a. If the recipient's business is permanently closed, or fails to re-open after a suspension or temporary closure within the agreed amount of time, the forgivable loan will be terminated and the prorated loan balance must be given back to the EDC. For example, if the business closes one (1) year into the forgivable loan term, the recipient is responsible for paying 50% of the original loan amount back to the EDC.

Step 2: Complete Application Information

Applicant Name:
Applicant Phone:
Applicant Email:
Child Care Provider:
Child Care Location Address:
Child Care Provider Phone:
Child Care Provider Email:
Length of Time as a Provider:
Number of Children Current in the Provider's Care:
Number of Children in the Provider's Care after Improvements:
Amount of Funding Requested: \$
Approximate Project Timeline:
How will these funds be used?
What specific license requirement(s) does this funding help you meet?

Project Sources and Uses

Please use the chart below to describe the project sources and uses. Include a detailed list of improvements or items you wish to purchase with the loan with a cost estimate for each item.

Project Sources	
Owner Cash	\$
Bank Financing Lending Institution: Contact:	\$
CCED Forgivable Loan	\$
Other:	\$
TOTAL	\$
Project Uses	
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
TOTAL	\$

Step 3: Submit two written bids for all work/project(s)/purchase(s)

- For any component of the project activity that costs more than \$1,000, get two written bids/quotes for the work. Be sure that both bids are based on the same scope of work. For example, if your first bid is for window replacement, then the second bid must also be for window replacement. If a loan is approved, it will be based on the lower bid.
- Individual purchases of a singular item (i.e. playground set) that is over \$1,000 need two unique bids. This is the same for bulk orders of two or more of a singular piece of equipment (i.e. sleeping mats, cribs). This includes the same item found on two different websites or locations.
- Verify that contractors are licensed in Minnesota.
- If qualified to do so, you may perform the work, but loan funds **cannot** be used to compensate you for the purchase or rental of tools or equipment, for your labor or the labor of family, friends, employees, or others with a financial interest in the business or property. Loan funds can be used to pay for materials if a contractor is not performing the work.
- Applicants are encouraged to solicit estimates from women and minority contractors.
- **Loan amounts are based on the lower bid; however, you are free to accept the higher bid.**

Step 4 – Review, sign and date application

FORGIVABLE LOAN PROGRAM AUTHORIZATION FOR RELEASE OF INFORMATION AND CERTIFICATIONS

Applicant acknowledges that they are making an application for a forgivable loan and that the Kandiyohi County & City of Willmar Economic Development Commission (EDC) may rely on the Applicant's warranties and self-certification of eligibility in the approval process of a forgivable loan. The applicant acknowledges that representations made in this application will be relied on by the EDC in its decision to award such a forgivable loan, and EDC such information is true and complete to the best of my knowledge. The applicant will promptly notify the EDC of any subsequent changes which would affect the accuracy of this information and the information provided on all accompanying documents. The applicant understands that it is a crime to make a false representation as to their or their company's financial ability for the purpose of securing a forgivable loan. The Applicant acknowledges that the submittal of false or inaccurate information will result in the repayment of forgivable loan funds. The Applicant also acknowledges they will comply with any requests from the EDC to supply any necessary data or information that may be needed as part of the forgivable loan.

Applicant shall indemnify, defend, and hold harmless EDC and its officers, directors, employees, agents, and CCED program partners from and against any and all claims, damages, loss, injuries, liability, and expenses (including attorney's fees and damages for death, personal injury and property damage) as a result of any act or omission by Applicant in connection with this application for funding, or from Applicant's breach of its obligations under any program documents, or from Applicant's or its employees' gross negligence or willful misconduct.

I hereby make an application to the Kandiyohi County Child Care Economic Development Program. I acknowledge that this involves public dollars, and I certify that I am eligible, my application is true and accurate, and that I understand Minnesota Data Practices laws apply to this application and any loan agreement I may sign under it.

Signature/Title of Applicant: _____ Date: _____

Signature/Title of Applicant: _____ Date: _____

If the Loan Applicant is the property owner, go on to STEP 6. If the Loan Applicant IS NOT the property owner, the property owner must sign below.

Signature of Property Owner: _____ Date: _____

Step 5 – Deliver the Application

By postal mail, email or in person to the EDC

Attention: Sarah Swedburg, 222 20th Street SE, P.O. Box 1783, Willmar, MN 56201

sarah@kandiyohi.com

Step 6- Review of application by Program Administrator

A loan is not approved until this document is signed below by the Program Administrator.

To be completed by the Program Administrator

Date Application Received: _____

Loan Amount: _____ (herein referred to as "Loan")

Private Match: _____ (herein referred to as "Matching Funds")

Total Project Cost: _____ (Loan plus Matching Funds)

Loan Approval Date: _____

Program Administrator

Kandiyohi County & City of Willmar Economic Development Commission

By:

Step 7 – Once the loan is approved, select contractor and begin work.

The Kandiyohi County Child Care Economic Development Program is supported,
in part, by the State of Minnesota through a grant from the
Department of Employment and Economic Development (DEED).

DEED's Mission is to empower the growth of the Minnesota economy, for everyone.

Forgivable Loan Application Checklist

Your application packet must include:

- The application form with all questions completed.
- Copy of your current child care license, if applicable. Also include any documentation from your licensor if the items in your loan application are needed to meet licensing requirements.
- Building permit (if applicable). If your project requires a building permit, please attach.
- Estimate or bid (if applicable). This is required for the installation of fences, windows, or construction, as required by licensing, or equipment assembly projects. This bid must be from a licensed contractor.
- Equipment or supplies estimate (if applicable). A picture from a catalog or online shopping cart of items you plan to purchase is acceptable for this estimate requirement.
- [W-9 Form](#).

The following scoring criteria will be used when reviewing applications:

1. Increase in child care license capacity _____ 25 points

Rating Factors:

- Does the scope of work increase the number of children the provider can care for?
- Does the applicant demonstrate the capacity for this increased licensing?

2. Improves health & safety for children _____ 15 points

Rating Factors:

- Does the project improve the health & safety of children?
- Has this improvement been identified as a need to maintain licensure?

3. Matching funds _____ 10 points

Rating Factors:

- Does the applicant provide up to 20% of the total project cost in matching funds? (*Note that these funds do not have to be from the provider, they might be, for example, from a local community.*)

TO: Joint Powers Board

FROM: Sarah Swedburg
Business Development Manager

DATE: June 8, 2023

RE: Shared UCAP Child Care Position

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Small grant for help with tear down

Clerks

Subject: Small grant for help with tear down

From: Goldie Smith <atwatercityclerk@willmarnet.com>

Date: 6/1/2023, 11:06 AM

To: Aaron Backman <aaron@Kandiyohi.com>

Yes, Atwater would be interested in help tearing down this abandoned house at 106 Fifth Street South behind the now Elevator on the south side of the railroad.

parcel number is 40-075-0760.. The city does own the property and plans to use it for water retention pond.

Any assistance would be gratefully appreciated.

Goldie Smith

City Clerk/Treasurer

City of Atwater

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NORTH EAST



Landing/entrance



WESTSIDE