

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

MINUTES

March 12, 2025

KCED Boardroom and Via ZOOM Video Conference

Present: Corky Berg, Sam Bowen, Jim Ellingson, Veronica Garcia, Steve Gardner and Les Heitke

Excused: Samantha Crow, Bridget Paulson and Kelsey Vosika

Absent: Jennifer Mendoza

Staff: Michelle Marotzke, Business Development Manager and Interim Executive Director

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

Chair Jim Ellingson called the meeting to order at approximately 1:00 p.m. and announced a quorum was not present.

Corky Berg requested a short discussion about the impact of the next legislative session on local businesses. Michelle Marotzke suggested legislative impact become a rolling item on future agendas. Speakers, such as James Miller from the Willmar Lakes Area Chamber of Commerce, Representative Dave Baker or Andrew Lang, Luke Greiner or Cameron Macht from the Minnesota Department of Employment and Economic Development (DEED), could be invited. If no one is available Marotzke will provide a report. Medicaid is an example of an issue impacting small businesses. Twenty-five percent of Kandiyohi County's population receives Medicaid funding, which is contracted out through service industries, such as long-term care nursing homes. Private businesses, as well as nonprofits are impacted, which in turn impacts employees and creates a trickle-down effect. County Boards recently attended Day on the Hill, where they were asking for a few relatively small earmarks which may not be funded until 2026. There is so much unknown that will impact every level of government. All United States citizens will be impacted to some extent. Many states are recruiting laid off federal employees to hire. Minnesota's program, Come to Minnesota and Work, connects people to resources for jobs in general.

[Sam Bowen joined the meeting]

AGENDA—

With a quorum now present, Chair Ellingson requested approval of the agenda.

IT WAS MOVED BY Steve Gardner, SECONDED BY Veronica Garcia, to approve the agenda as emailed. MOTION CARRIED.

MINUTES—

IT WAS MOVED BY Les Heitke, SECONDED BY Corky Berg, to approve the Minutes of the October 23, 2024 and December 13, 2024 meetings as emailed. MOTION CARRIED.

UNFINISHED BUSINESS—

KCED Intern. Marotzke reported KCED was awarded a \$2,000 grant from the Economic Development Association of Minnesota (EDAM) to hire an intern. At its February meeting, the Broadband Committee supported using the intern for work on a Digital Opportunity Plan for Kandiyohi County. This would depend on securing a Regional Sustainable Development Partnerships grant with University of Minnesota Extension, that Marotzke is close to submitting. Funding for the intern would include \$2,000 from EDAM, \$2,000 from KCED out of the Broadband budget, \$2,000 from Kandiyohi County, \$2,000 from the City of Willmar, with the Extension grant picking up the remainder of the cost. Awards from Extension will be released in April. The intern will be a full-time graduate research assistant whose sole job would be working on the Digital Opportunity Plan. The job could be done remotely with a few visits to the area. Ann Dybsetter from Extension sets up interviews with potential interns. Marotzke will invite Mark Boesch, Kelsey Baker and Kyle Box to join her in the interview process. Dybsetter oversees the intern with input from KCED on direction and outcomes. A job description will be created.

BRE Study. Marotzke presented a summary of the 2015 BRE Visitation Program (see attached), which indicated Kandiyohi County has an economy that is strong, stable and diverse. Information regarding internet access and speed was included. A program for the design and implementation of a BRE program for diverse businesses was done in 2017. Marotzke recommended updating the program using the 2015 version as a road map. Ken Warner is interested in helping with the project. If Dawn Lippert and Mackenzie Dohmann agree to serve on this committee, they could be asked to work on this project and Elevate graduates could possibly assist. Sam Bowen commented that this program is what got him started on this committee. The project will be assembled after the Executive Director position is filled with work starting sometime after the Fourth of July.

NEW BUSINESS—

Election of 2025 Chair and Vice Chair. Chair Ellingson announced his retirement from this committee, which was accepted unanimously with regrets. Sam Bowen became the new Chairperson with unanimous approval. The election of a vice chair was tabled until the June meeting.

Targeted recruitment. Marotzke spoke with city planning staff and Kelsey Olson to create a cohesive vision between Willmar, Kandiyohi County and KCED. The city is interested in marketing the Industrial Park and needs marketing materials. Marotzke will attend a Site Selector Conference in Savannah, Georgia in June and another in Chicago, Illinois in October, and would like to have these materials available for that event. The Kandiyohi County videos done by Torry Norling were resurrected and he updated the logo at no charge. While the county doesn't have land available for sale, KCED could help private individuals and businesses with property for sale and assist with finding use for vacant buildings in the smaller communities. Les Heitke asked how economic development is handled on a statewide basis. Marotzke replied there is no formal Executive Director of Economic Development in Minnesota, however, the role is handled by Matt Varilek, the Commissioner of DEED. Varilek previously worked at West Central Initiative Foundation, a regional development organization based out of Fergus Falls. It serves nine counties, including Otter Tail and Stevens Counties. There are nine other regional development organizations that encompass the entire state, the exception being a small strip from the Twin Cities metro area south to the Iowa border. Marotzke works closely with Lisa Hughes at DEED, who shares information regarding developers in need of services that Willmar can provide, such as rail. Other economic development organizations in Minnesota include EDAM and the Minnesota Association of Professional County Economic Developers (MAPCED). Both organizations meet three times per year. Because Willmar is a regional center, it is beneficial to work closely with surrounding counties.

REPORTS—

Elevate Community Business Academy. The Elevate Community Business Academy continues to flourish, with an English and Spanish class underway for the spring. There are 16 students in the English class and 7 or 8 attending the Spanish class. Graduation will be held on May 30th. Businesses represented include welding, manual labor, restaurants, clothing and a pet spa. The Business Assistance Program (BAS-E), which provides continuing education to all Elevate graduates, will host an event featuring Brandon Zumwalt, an attorney with Johnson, Moody, Schmidt, Kleinhuizen & Zumwalt, P.A., on March 24, 2025. He will discuss the legal structure of limited liability corporations.

Childcare grant. Marotzke reported that the Prairie Wood Environmental Learning Center (PWELC) nature-based preschool is now open. The preschool is in the Westby Observatory and is licensed for 20 students, with only 3 or 4 spots still available. Kandiyohi County contributed \$35,000 to the project. The Generations project in Atwater is progressing more slowly due to bidding requirements. It is estimated that the facility will open in September. This is a pod model, where providers can rent the equivalent of a one-bedroom apartment to serve as a venue for a childcare business. There are two or three senior apartments in the building as well. In 2025 KCED received a state grant for \$178,000, of which \$50,000 is set aside for a project in Spicer, and \$100,000 will go directly to Peace Lutheran Church in New London for two to four pods similar to the Atwater project. A nutrition program will be created with \$2,000 from the grant and matching funds from Jennie-O. A Super Saturday Event, for which providers get credit for attending, is being scheduled. A transportation program like the 2023 program will be implemented. The mentoring program for childcare providers will continue. Additional childcare slots created by these projects are 20 at PWELC, 48 in Atwater, 24-48 at Peace Lutheran Church and 30 in Spicer. The deficit in Kandiyohi County is approximately 1,000 slots. When Atwater opens it will need a staff of four family providers. Peace Lutheran will need two to four providers, and Spicer is yet to be determined.

Comunidades Latinas Unidas en Servicio. (CLUES). Bowen reported on the non-credit carpentry program (see attached) Ridgewater College is conducting in conjunction with CLUES. It is a six-week program covering basic carpentry skills, with those completing the program ready to be employed. The class will get hands-on experience rehabilitating houses for Habitat for Humanity.

Ridgewater College Commercial Driver's License (CDL) Grant. Bowen reported that the CDL grant is wrapped up, with just a little money left for miscellaneous items to be purchased before the grant closes in December. The project, located in the southwest corner of the College, is finished and in use.

Ridgewater College Projects. Tony Nelson, training and outreach manager of the CDL program at Ridgewater College, is working on the introduction of knowledge and theory components of the program to high school students, based on a model used in northwest Minnesota. An online course is available which takes 20-40 hours to complete. Students who complete the course have the federal requirement needed to enroll in the behind-the-wheel program. The cost is \$29 per student which is paid by the high school, with Ridgewater College covering the cost of the books. The program kicked off at KMS High School and has 9-10 students signed up. Seven other high schools plan to participate in the fall. Ridgewater is looking for industry sponsors to fund the books.

Ridgewater's Nursing Assistant and Long-Term Care programs are flourishing. A full-time coordinator has been hired. The program used to consist of one class per week at Willmar and one at Hutchinson, with tests occurring once a week at alternating campuses. Now there are three classes in Willmar and two in Hutchinson per week, with tests occurring three times per week, two in Willmar and one in Hutchinson. The written test is proctored by a testing agency and the College proctors the skills test.

Ridgewater College is exploring an agreement with the City of Delano, which has underutilized office space. The college can use the space free of charge to do workforce training, such as industrial maintenance. Ridgewater partnered with the Community Integration Center to offer a business class based on the Elevate Community Business Academy program. Ridgewater is starting to work with apprenticeships in a “work while you learn” model. A partnership has been formed with the Associated Builders and Contractors of Minnesota and North Dakota for heavy equipment operators. Ridgewater handles online classroom instruction while the actual equipment operation takes place on the job with construction companies. The meat cutting class is going well. Work is planned for a space on campus. Students are from all around the country. Classes are done online, with an apprenticeship done locally. Minnesota only has two or three similar classes available. Large grocery store chains have training programs, but realize these programs need improvement.

ADJOURNMENT—There being no other business, the meeting was adjourned at approximately 2:15 p.m.

NEXT MEETING—The next committee meeting is **1:00 p.m., Wednesday, June 11, 2025** at the KCED Boardroom and via ZOOM video conference.

Kandiyohi County Business Retention and Expansion Visitation Program

2015



Kandiyohi County Business Retention and Expansion Visitation Program

Initiated By:

- Kandiyohi County and City of Willmar Economic Development Commission
- Willmar Lakes Area Chamber of Commerce Grow MN! Team

Project Objectives:

1. Demonstrate support for local businesses
2. Help solve immediate business concerns
3. Increase local businesses' ability to compete in the global economy
4. Establish and implement a strategic plan for economic development
5. Build capacity to sustain growth and development

Process:

1. Business visits to identify critical issues (complete)
 - **Convention · Retail · Tourism · Service Industries (CRTS): 60 businesses**
 - **Manufacturing Industries: 22 businesses**
2. Analyze survey data, set priorities and identify projects (complete)
3. Work on projects, evaluate results, publish reports and BR&E continuation (to be determined)

Findings:

The following findings were derived from survey data and the survey analysis completed by 47 Kandiyohi County Community and Business leaders at a BRE program workshop on February 25, 2015.
Facilitated by Linda Mathiasen, LDMarketing

Findings

*Written by Connie Schmoll, Business Development Specialist
Kandiyohi County & City of Willmar Economic Development Commission*

Leadership. The business leaders see stability and engagement among their peers. The survey data includes positive statements about community leadership being “forward thinking” and that, compared to other cities, Willmar has less regulation and zoning requirements. Issues of concern also rose for our local leadership. Surveyed business leaders stated medium satisfaction with leadership in community planning, zoning, taxes and permits. Many of the service and retail business leaders voiced concern over community planning, attention to needs in downtown Willmar and the Willmar City Council. Comments in the data report also indicate concern over community leaders and school personnel being against diversity and closed to engaging in processes that can be understood and followed by new immigrants.

Business Growth and Expansion. The majority of business leaders report an increase in sales for their businesses. We have planned expansion and future investment into our county for both CRTS and manufacturing. Yet, 43% of respondents are not looking to expand their business in the near future. We have opportunity in the fact that many businesses are selling nationally and globally, which provides the opportunity to increase product distribution and market share.

Location. The data reports show we have the benefits of rural living and recreational opportunities with lakes, parks and trails. The study recognizes the importance and impact of our agricultural roots and cluster of agribusinesses. In addition, Willmar is recognized as a regional center because it has a strong business mix, education opportunities, utilities, emergency and health care services, anchor businesses, existing workforce and job availability. Several of the smaller cities in Kandiyohi County are experiencing a loss of key business services, including gas stations, grocery stores and restaurants. When asked what their customers are looking for, business leaders report we could use greater options for shopping, entertainment and dining and access to national chains, such as Kohl’s and Olive Garden. Threats that exist for our location include a limited variety of manufacturers and the fact that 60% of our manufacturers are selling nationally, reducing the importance of their corporate location being in Kandiyohi County.

Government Legislation and Regulations. When asked about anticipated legislative and/or regulatory changes, Kandiyohi County business leaders are fairly certain there will be decisions made that will impact them adversely. They are concerned about taxation increases and regulations, especially at the state and federal level. Taxes, at their current rate, are leading some of our manufacturers to consider moving to neighboring states, which are more conducive for business. There is concern about what will happen after JOBZ sunsets, the continued changes due to the Affordable Care Act and Environmental Protection Agency rule changes. Service industries and schools are fearful of more unfunded mandates. Our manufacturers failed to come up with even one anticipated legislative change that could be beneficial, but service and retail business leaders hold hope that taxation laws could change for the better, that health care reform could be very helpful, that some regulations could become less restrictive, and that tax burdens could be decreased.

Diversity. We have opportunities for business development, growth and an increased workforce because of our immigrant base and history. There is a great possibility for continued increase in immigration of different cultural groups to the Willmar area. Although ethnic diversity is seen as a strength in Kandiyohi County by most of the business leaders, there is much work to be done to become a community that is perceived as embracing diversity. Many residents currently see the immigration issue as a threat and will continue to do so unless we work diligently to understand the culture and history of our immigrant populations, consistently provide culturally appropriate services, use language and culture specific processes in our workplaces and schools, hire certified interpreters to conduct business when needed and become accepting of the differences that exist in our community.

Internet Access and Speed. Adequate infrastructure is crucial to existing businesses and that includes internet access and speed. The survey data reveals inconsistent speed, quality and access to broadband for businesses. Fortunately, there are current state and federal grant opportunities for funds to improve our broadband in Kandiyohi County.

Transportation. The survey data reveals beneficial resources for businesses in the area of transportation with access to rail, airport and highways. Access to U.S. Highways 12 and 71 and State Highway 23 are strengths to the area for transporting product, for those commuting from outside of the area and for providing a direct route to the metro area, quite possibly a reason that Willmar is a regional center in West Central Minnesota. Local businesses consider it a weakness that we lack four-lane access to St. Cloud or the Twin Cities. There is current opportunity in the fact that Governor Dayton and legislators have acknowledged the need to complete the four-lane highway to St. Cloud.

Workforce. Business leaders report they will see a significant workforce change in the next 10 years. They are expecting many retirements, increased diversity in their workforce, new staff bringing in higher skills and younger staff. Currently, the surveyed business leaders report they do not necessarily understand the younger staff; the millennial generation. The survey report repeatedly states that the people in our area have a strong work ethic and a diverse skill set. Workforce evaluation numbers show strength in workforce quality, stability and productivity. However, the business leaders consistently evaluated "availability of workforce" much lower. The survey also reveals there are currently many, varied work opportunities, numbers that exceed our workforce availability. The report lists at least 53 different positions that are currently difficult to fill. This list includes skilled, unskilled, technical, scientific, supervisor and doctorate positions. A gap in workforce housing was mentioned as a weakness and as a threat for our business workforce needs. An additional threat reported is that government benefits may influence a desire for employment. Also reported as weaknesses in the workforce gap issue are low pay levels, lack of skills gained in the education system for entering the workforce and a changing student body.

GET TRAINED, GET HIRED, GET PAID!

CARPENTRY - WILLMAR



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HOW IT WORKS

FREE

10 Week Program

In-Person CLUES
Classes reviewing
Resumes, Interviews,
Digital Skills & more

6 Weeks of Industry
Training with
Ridgewater College
- Willmar

Employment Skills
Training with Industry
Partners and Job
Search Assistance

ELIGIBILITY:

1. 18+ Years Old with MN ID
2. High School Diploma/GED (US or Non-US)
3. SSN / Documentation to Work in the US
4. English Proficiency



START

March 17, 2025

END

May 23, 2025



Visit our Website

**Information &
Registration**

JMendoza@clues.org