

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
FINANCE COMMITTEE
MINUTES
July 7, 2015
EDC Board Room, Willmar

Present: Matt Behm, Gary Gilman, Darren Hetland, Les Nelson, Bruce Peterson and Russ Weeks

Excused: Nick Dalton, Justin Schnichels and Randy Zinda

Staff: Jean Spaulding, Assistant Director

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Chair Matt Behm called the meeting to order at approximately 12:06 p.m.

MINUTES—

IT WAS MOVED BY Bruce Peterson, SECONDED BY Darren Hetland, to approve the May 12 and June 9, 2015 minutes as emailed. MOTION CARRIED.

Jean Spaulding informed the committee that she tendered her resignation from the EDC effective August 7, 2015 to take a position with Quam Construction.

UNFINISHED BUSINESS

Intermediary Relending Program (IRP). Spaulding reported she is working on an application for new funds of \$100,000 through the United States Department of Agriculture (USDA) IRP and asked if the EDC's Revolving Loan Fund can be the 26% match for new IRP funds.

NEW BUSINESS

Business finance program research. Spaulding spoke with an intern for the Decklan Group, who is investigating what incentive programs are being offered in all cities and counties in Minnesota. Spaulding has started her own research into programs offered in bordering states in communities of a similar size to Willmar and will create a spreadsheet comparing the various state and local finance programs, including tax incentives. Sioux Falls offers a sales tax rebate on furnishing and equipping a new facility. Bruce Peterson noted the city of Willmar adopted incentives for land pricing in the new Industrial Park.

Spaulding reported the state developed a new program, the Job Creation Fund, which she feels has great potential as a business tool and was used for Rambow's expansion. It is a simple application and is available to qualifying businesses statewide. The program is performance based and a business must have a minimum capital project of \$500,000 up to \$1 million and create at least 10 new full-time jobs. The

downside to the business is that it must up-front the capital and create jobs before receiving reimbursement from the state. The other state program available to businesses is the Minnesota Investment Fund (MIF), which is a grant to a community to lend to a business for a capital project with job creation. MIF is a way to repopulate a local Revolving Loan Fund as the loan repayments can stay with the community. The EDC has done seminars for local lenders to make them aware of the various programs available locally and statewide. The committee felt all local lenders should be aware of these programs and asked that presentations be made by the EDC to the individual banks. The EDC will start contacting the loan officers in each bank to set up appointments for EDC staff to present on available state and local financing programs. Les Nelson offered to assist with the presentations and Spaulding noted Southwest Initiative Foundation may also be interested. Discussion was held on what other communities have done to market new industrial parks and what incentives were offered. Spaulding indicated the Minnesota Department of Employment and Economic Development's (DEED) Shovel-Ready Program has been used aggressively by Windom and some communities are becoming data center certified. Spaulding will contact DEED about industrial parks. Spaulding informed the committee the EDC will host a site selector tour of the area in September and the Joint Operations Board approved an EDC representative to attend The Site Selectors Guild Fall Forum in Philadelphia, PA.

Quarterly outstanding loan reports. The committee received the quarterly reports for outstanding loans in the Entrepreneurs' Loan Guarantee Program and Revolving Loan Fund, all of which are current. Spaulding informed the committee that Karen Baalson of Inspirations Books and Gifts recently purchased Angels & Ivy in New London and she has heard Goat Ridge Brewery is doing well. Peterson reported Foxhole Brewery received its approval from the city of Willmar last evening.

ADJOURNMENT—There being no other business,

IT WAS MOVED BY Gary Gilman, SECONDED BY Russ Weeks, to adjourn the meeting.

The meeting was adjourned at approximately 1:04 p.m.

NEXT MEETING—The next committee meeting is **12 noon, Tuesday, August 11, 2015** at the EDC office.