Annual Report

Calendar Year 2013

Mid-Minnesota Development Commission

Serving the People of Kandiyohi, McLeod, Meeker, and Renville Counties since 1974.

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MID-MINNESOTA DEVELOPMENT COMMISSION

Serving the People of Region Six East

To Those We Serve:

On behalf of the Mid-Minnesota Development Commission (MMDC), we respectfully submit this 2013 Annual Report. We thank you for taking the time to review this report. This report highlights key achievements of the Commission and its staff in carrying out the Commission's mission during calendar year 2013. The enclosed year-end financial data is for Fiscal Year 2012 (July 1, 2012 to June 30, 2013).

MMDC's high quality and dedicated staff team has provided many valued services throughout the region during the past year. The Commission's seven staff has nearly a combined 100 years of experience in providing technical assistance for the MMDC. We thank them for the passion they have shown for their work throughout the year.

The Commission's Board is made up of local representatives, the majority of who are elected officials. This ensures that the work of the Commission reflects on the area needs and preferences of the four counties (Kandiyohi, McLeod, Meeker, and Renville) we serve. Special interest members are valued for their different perspectives and wide variety of experience they bring to the Board.

A new project introduced this year is assisting communities and school districts with Safe Routes to School (SRTS) Plans. Commission staff has assisted preparing SRTS Plans for both Willmar elementary schools and the middle school in 2013. Other SRTS Plans are currently in process for Glencoe and New London. Staff will provide assistance to three other school districts, within four communities beginning in 2014. Through these plans better preparations can be made to improve the safety of children walking and bicycling to and from school, while encouraging more physical activity.

Please take some time to read through the 2013 Annual Report to gain an understanding of the variety of tasks we perform. Further information about the Commission may be found at the MMDC web site: www.mmrdc.org. Please give us a call if there are projects that you need assistance. Please also contact us if you would like us to attend one of your meetings to either discuss a particular project need, or just to receive a general update from the Commission. Through our Board's leadership, and our talented staff, we will continue to strive to make a strong positive impact on the Region. We pledge that we will not consider a job complete until the client is satisfied with the end product.

Respectfully yours,

John Stahl

John Stahl
Chairperson

Donn Winckler

Donn Winckler
Executive Director

2013 Commission Members

Kandiyohi County Representatives

DuWayne Underthun ..... Townships
Charles Diederich, Vice Chair.....Municipalities
Rick Fagerlie ..... City of Willmar
Doug Reese.....County
Idalia (Charly) Leuze.....Public Interest
Shawn Mueske, Treasurer .....Public Interest
Cathy Baumgartner.....Public Interest
Kevin Crowley .....Public Interest
Robert Moller .....Public Interest

McLeod County Representatives

Alan Fredrickson .....Townships
Charles Warner ..... Municipalities
Bill Arndt .....City of Hutchinson
Sheldon Nies.....County
Vacant ..... Public Interest

Renville County Representatives

Dave Guggisberg .....Townships
Ronald Degner, Secretary ..... Municipalities
John Stahl, Chairperson ..... County
*Richard Loftness ..... Public Interest
James Schafer..... Public Interest
Francis Schweiss ..... Public Interest
Jeff Benson..... Public Interest

Meeker County Representatives

Vacant .....Townships
John Smith ..... Municipalities
Mike Housman..... County
Maureen Melgaard-Schneider..... Public Interest
Dee Schutte ..... Public Interest

* Denotes office held through June 30, 2013

Agricultural Business Resource Seminar

On Thursday, February 7, 2013 the Mid-Minnesota Development Commission sponsored an Agricultural Business Resource Seminar at the MinnWest Technology Campus. The seminar was open to the public. The featured speaker was Mr. Charlie Poster, the Assistant Commissioner of the Minnesota Department of Agriculture. Mr. Poster's presentation focused on resources that were available to agri-businesses from the Minnesota Department of Agriculture.

Also speaking at the event were Mr. Steve Salzer of the MinnWest Technology Campus, Ms. Nan Larson of the Agricultural Utilization Research Institute, Mr. Paul Pearson of the United States Department of Agriculture, and Ms. Kathy Schwantes of the University of Minnesota Extension Service.

Agricultural Business Resource Seminar February 2013 at MinnWest Technology Campus

Economic Development

The Mid-Minnesota Development Commission's Economic Development Program is designed to assist local units of government and businesses in the Region with activities that create and retain full time higher wage employment opportunities and private investments. The Commission and service area are a Federally Certified Economic Development District and as such is eligible for planning grant funding from the U. S. Department of Commerce's, Economic Development Administration. Further funding of activities and the required matching source is provided by the local tax levy.

A major portion of program staff time is devoted to providing professional technical assistance to businesses, individuals, and governmental units. Requests for assistance include, but are not limited to, business finance analysis, infrastructure improvements, tax increment financing, and grant or loan application authoring.

As part of the federal grant agreement, a ***Comprehensive Economic Development Strategy (CEDS)*** is authored by the Commission. This document is drafted each year, after public input, to provide a plan for economic development and prioritize projects in the Region. The plan is then submitted to the Federal Economic Development administration for approval. Staff also prepared the necessary applications and reports for the operation of the Economic Development District. A Comprehensive Economic Development Committee provides input on the CEDS document.

Activities During Fiscal Year

- Staff provided technical assistance to the Minnesota Association of Development Organizations in constructing a plan of action in authoring an Economic Development Statewide Strategy for Minnesota at some time in the near future.
- Staff participated in economic and community development portions of the Kandiyohi County Vision 2040. This visioning process will provide an outlook for what individuals would like Kandiyohi County to resemble in the year 2040.
- Staff hosted a two-day conference, in August, for all economic development district staff from each economic development district in Minnesota. This conference provided education, networking, and other professional development activities.
- Staff provided technical assistance to the Kandiyohi County/City of Willmar Economic Development Commission (EDC). Staff Served on the Business Retention and Expansion (BRE) Committee. The BRE Committee is working on development of a survey of local businesses to determine their needs and wants.
- Technical assistance was also provided to the EDC as a member of the Revolving Loan Fund Committee.
- Renville County Housing Redevelopment /Economic Development Authority was also provided staff assistance as a member of the Revolving Loan Fund Committee.
- The Department of Employment and Economic Development sponsored a seminar educating attendees on the Small Cities Development Program. Staff attended this seminar to stay up to date on the latest rules and regulations regarding this important program. Money for this program comes to states for distribution from the Federal Community Development Block Grant Program.
- The commission co-sponsored a Business Retention and Expansion workshop held in Hutchinson. This is a University of Minnesota program that surveys local businesses to determine needs and identify issues they may have.
- Staff participated in the Glencoe Chamber of Commerce Manufacturer of the Year award ceremony. The 2013 winner was Pinske Edge. The business is a plastics manufacturer in Plato.
- The Minnesota Renewable Energy Program sponsored a meeting in St. Joseph to discuss energy workforce issues, receive input on renewable energy issues, and provide education on this growing industry sector.
- Staff authored the Mid-Point Report that was required by the Federal Economic Development Administration as a requirement of the Planning Program Grant.
- Staff authored the Annual Comprehensive Economic Development Performance Report. The report is required as a stipulation of the Planning Grant Program.

Transportation Planning

The Mid-Minnesota Development Commission (MMDC) receives an annual grant from the Minnesota Department of Transportation (MNDOT), matched with the local tax levy, to provide transportation planning services within the Region's four counties. Planning activities primarily involve the state trunk highway system and to participating in the Southwest Minnesota Area Transportation Partnership (ATP) process. The Transportation Advisory Committee (TAC) makes recommendations to the Commission on these transportation activities.

The Commission annually participates in the Area Transportation Partnership's decision-making process of which projects receive Federal funding through the State's Transportation Improvement Program. MMDC's voting members on the ATP are Sheldon Nies and John Stahl. Meeker County Engineer, Ronald Mortensen was the Commission's County Engineer representative. The Commission holds an annual public informational meeting on the proposed Area Transportation Improvement Program. Staff provides assistance for this activity as well as serving on the ATP Committee that makes Enhancement Project funding recommendations. This program combined several federal programs together under the new federal Transportation Act, including the Enhancement Program, Safe Routes to School infrastructure funding, and Scenic Byway funding. Staff was involved with developing application materials for the new grant program.

The Commission continued assisting MNDOT with local road verification for the state's base map. Local units of government were contacted to discuss various segments of road that MNDOT had questions about.

Staff assisted MnDOT District 8 with a study of manufacturing businesses and their transportation needs. Two staff assisted MnDOT and the University of Minnesota with help interviewing various manufacturing businesses within the Region for the study.

Staff completed Safe Routes to School Plans for the Willmar School District's two elementary schools and the middle school. Staff is in the middle of assisting the School Districts and cities in Glencoe and New London with Safe Routes to School Plans for both elementary and middle schools. (See article on page 10)

Staff participated in two different Technical Advisory Committees during the year. The first was for the City of Hutchinson's Transportation Plan Update, and the other was for a City of Willmar Downtown Parking Study.

Commission staff was also active in the following transportation activities during the 2013 Calendar Year:

- Staff provided input into various MNDOT statewide plans.
- Attending RDC Transportation Planners meetings during the past year. These quarterly meetings allow the planners to share information and coordinate planning efforts.
- Staff serves on a Willmar Downtown Connections Committee that is working on improving transportation connections to the central business district. Staff also serves on the Downtown Infrastructure and Development Committee. These committees are part of the Willmar Design Center.
- Staff is a member of the City of Willmar's "GreenStep Cities" Committee. This is a state program that energy encourages conservation measures in numerous areas, including transportation.
- The Commission continues to provided assistance to the Highway 15 Coalition. The Commission acts as the Coalition's fiscal agent.
- The Commission serves as the Minnesota Valley Rail Road Coalition's fiscal agent.
- Staff serves as a member of the Intercity Passenger Rail Transportation Forum, which was created by MNDOT to provide advice for the statewide rail plan and to recommend and coordinate projects for which MNDOT should seek Federal Railroad Administration funding.
- Staff attended the MNDOT District 8 Toward Zero Deaths (TZD) conference that was held in the Spring.
- Staff communicated with various communities about trails questions, and provided information to the state on what trails they were missing from statewide trail maps. Staff also attended the Minnesota Bicycle Summit in October.

Area Agency on Aging

The Minnesota River Area Agency on Aging® Inc. (MNRAAA) is dedicated to helping older people in Southwest Minnesota lead comfortable, independent lives. MNRAAA is governed by a Not-for-Profit Board of Directors comprised of representatives from the 27 county planning and service area designated by the Minnesota Board on Aging. MMDC along with Region Nine Development Commission and Southwest Regional Development Commission provide match funds to MNRAAA to support staffing throughout the service area. DuWayne Underthun and Maureen Melgaard-Schneider represent MMDC on the MNRAAA Board of Directors.

Area Agency on Aging (AAA) roles are designed to provide information and assistance to persons 60+; and program development assistance to agencies that serve older adults and their caregivers. Two staff positions conduct the functions of the aging program through MMDC. The positions are Program Developer and Senior Outreach Specialist.

Older Americans Act (OAA)

The OAA promotes policy that ensures older American's full participation in society and supports a strategy that encourages older Americans to choose homes and communities in which they wish to live throughout their later years. Other provisions to the OAA include:

- Support for State and community planning to address the long-term care needs of the baby boom generation
- Greater focus on prevention and treatment of mental disorders
- Outreach and service to a broader universe of family caregivers under the National Family Caregiver Support Program
- Increased focus on civic engagement and volunteerism
- Enhanced coordination of programs that protect elders from abuse, neglect and exploitation

(*AoA website, March 20, 2007)*

Long Term Care Activities

Minnesota's goal to re-balance long-term care continues to be a primary focus for the Minnesota Board on Aging and Area Agencies on Aging. AAA staff offer presentations to community members, businesses, and agencies to promote the AAA services.

Other AAA Activities

Staff provided a wide variety of technical assistance to various aging organizations. Activities for 2013 included:

- Provided in person assistance to seniors at MinnesotaHelp Network sites in Appleton, Benson, Canby, Dawson, Granite Falls, Hutchinson, Litchfield, Madison, Montevideo, Olivia, Ortonville.
- Participated in the Life Connections Expo, MN State Fair, and other area Senior Health Fairs.
- Provided grant writing assistance to agencies seeking grant funding.
- Coordinated Chronic Disease Self-Management Classes through McLeod County Public Health and Matter of Balance classes in Renville and Willmar. Worked on expanding evidence base class promotion throughout nine county area.
- Promoted AAA services through radio interviews and newspaper articles.
- Continued partnership with West Central Dementia Area Network to provide caregiver education – Kandiyohi, Renville, and Swift Counties.
- Received ACT on Alzheimer's pilot project grant for Willmar to complete dementia capable community survey.

(Continued on page 8)

Community Development and Planning

The Community Development Department assists with a wide variety of community development and planning projects for local units of government. This particular program area is not tied to any State or Federally funded program, however, many projects are funded through competitive grants. MMDC also charges a technical assistance rate, which is currently set at $75 per hour. Numerous questions are researched daily without MMDC charging a fee, however, for our Region's citizens, elected officials, and units of government. The Community Development Department specializes in the following types of projects:

- ***Official Plans***, including comprehensive plans, water plans, hazard mitigation plans, and other similar community development documents.
- ***Official Controls***, including zoning and subdivision ordinances, ordinance codification, rules and regulations, and other similar regulatory documents.
- ***Environmental Reviews***, including environmental impact statements and environmental assessment worksheets.
- ***Special Projects***, including grant writing, community surveys, public facilities planning, housing studies, mapping services, and many other technical services.

As one of Minnesota's State Data Centers, MMDC also regularly provides data to businesses, non-profit agencies, private citizens, and units of government from the Census and other informational sources free of charge.

Main Projects during the Fiscal Year

Buffalo Creek Watershed Overall Plan – The Community Development Department continued to work with the Buffalo Creek Watershed on implementing a number of projects, including updating the District's Overall Plan. The primary controversial issue that surfaced during the plan update was the Watershed District's longstanding policy to limit drainage coefficients to 3/8 inch. Renville County expressed concerns over the policy and requested a 1/2 inch policy, which would allow stormwater to drain quicker off the land. Since the east half of the Watershed District frequently floods, the Watershed District opted to keep its 3/8 inch policy. The District did, however, revise their policy guideline to be more flexible if an applicant can prove the drainage system was designed to handle more water. The Overall Plan was recently approved by the Minnesota Board on Soil and Water Resources.

Melody Ruehling of Glencoe won first Place in the Buffalo Creek Watershed District's Photo Contest

Meeker and McLeod County Hazard Mitigation Plans – MMDC has been working with both Meeker and McLeod Counties on updating their Hazard Mitigation Plans. These plans are designed to minimize the loss of life and property due to natural disasters and severe weather events. Overall, the plans each identify the County's main hazard-related needs, such as addressing flood prone areas, the need for storm shelters, and the need for replacing and/or upgrading warning sirens. The plans then develop a list of detailed action steps, referred to collectively as the Mitigation Plan, which specify the County's priority projects over the next five years. Most of the major projects would qualify for as much as 75% cost-share through various Homeland Security and Emergency Management grant programs.

City of Willmar Parks Plan - Commission staff began working with the City of Willmar on a City Parks Plan, that will be completed in the spring of 2014. The plan includes a complete profile of existing conditions at each of the City's 37 designated parks. The plan will provide guidance in the capital investments for the parks in the upcoming years.

(Continued from page 6) *Area Agency on Aging*

- Promoted Live Well at Home assessment to older adult service providers throughout nine counties.
- Provided technical assistance to two new assisted living providers .

Aging Advisory Council (ACA)

The ACA meets quarterly and provides the link between MNRAAA, older adults, and their respective communities. One function of the ACA is to establish Title III funding priorities, review applications, and make recommendations for funding.

MNRAAA established a Funding Task Force comprised of Advisory Council members representative of the three ACAs. This committee reviewed applications, conducted interviews, and made final project awards to the MNRAAA Board of Directors. Although priorities and projects change, the following list of priority areas and projects approved for calendar year 2013:

***Transportation*:** Volunteer Driver programs in Kandiyohi and Meeker Counties
***Legal Services/Education*:** Western Minnesota Legal Services
***Congregate Dining and Home Delivered Meals*:** Lutheran Social Services is contracted to provide congregate and home delivered meals.

The Mid-Minnesota Development Commission is one of nine active Regional Development Commissions in the State. Formation of Regional Development Commissions (RDCs) is authorized under the Regional Development Act of 1969. The Minnesota Legislature has updated the Act since that time including major revisions in 1997. Region Six-East is one of 12 development regions that were created by executive order of the Governor in 1969. In total there are 13 Minnesota development districts when the Twin Cities metropolitan district is included.

The purpose of RDCs as written in the Regional Development Act is to: "facilitate intergovernmental cooperation and to ensure the harmonious coordination of State, Federal, and local comprehensive planning and development programs for the solution of economic, social, physical, and governmental problems of the State and its citizens."

Mid-Minnesota Development Commission (MMDC) opened for business on May 16, 1974. The name of the Commission at that time was the Six-East Regional Development Commission. The Commission's Mission Statement is as follows:

"We will administer state and federal programs, coordinate multi-jurisdictional activities, and provide technical assistance to government, businesses and local organizations to maintain or enhance the quality of life in the Counties of Kandiyohi, McLeod, Meeker and Renville."

The MMDC is governed by a 26 member Board of Commissioners that meet throughout the year to discuss regional priorities, set overall policy, monitor programs, revise budgets, approve contracts and expenditures and to deal with other policy issues as they arise. By State Statute the majority of Board members must represent local units of government, including county, city, and township representation from all four counties. Cities over 10,000 also have membership, and there are also two school board officials that are named in state statute for board membership. Other members are selected by the Board to represent a variety of private citizen interests throughout the region.

Revolving Loan Fund Program

In 1995, a grant was received, in the amount of $1,000,000 from the Federal Economic Development Administration to initially capitalize a Revolving Loan Fund Program. The award was partially matched by the Commission, local units of government, and the Southwest initiative Foundation. Program goals include, assisting businesses with gap financing and creating employment opportunities within Region Six-East's four-county service area.

After due diligence, loans are funded for working capital, real estate purchases, and equipment purchases. The Revolving Loan Fund Committee provides lending expertise and makes recommendations of loan funding to the governing board.

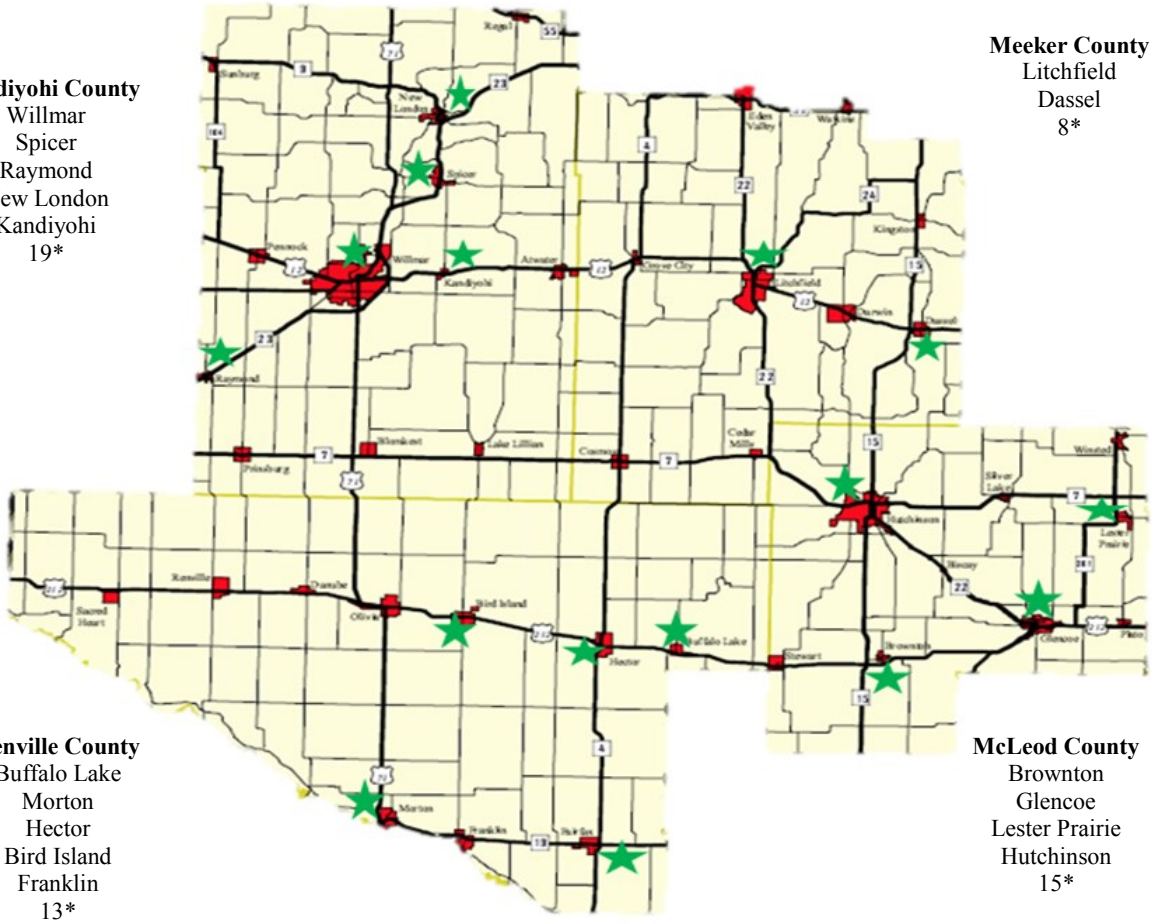
The purpose of the RLF program is to strengthen and diversify the economy. This is reached by providing a source of low interest financing to businesses, when credit is not otherwise available from other sources, and to ensure the successful completion of a project or activity. Job creation and retention is a priority of the fund, as well.

The RLF program was funded in 1996 from a variety of sources: Federal Economic Development Administration; State of Minnesota; Southwest Initiative Foundation; Counties of Kandiyohi, McLeod, Meeker, and Renville; and the Mid-Minnesota Development Commission. The total number of loans made, per recipient county, since the inception of the Revolving Loan Fund is: Kandiyohi - 19*; McLeod - 15*; Meeker - 8*; Renville - 13*.

REGION 6E

Kandiyohi County
Willmar
Spicer
Raymond
New London
Kandiyohi
19*

Meeker County
Litchfield
Dassel
8*



Renville County
Buffalo Lake
Morton
Hector
Bird Island
Franklin
13*

McLeod County
Brownton
Glencoe
Lester Prairie
Hutchinson
15*

★ **Revolving Loan Fund Recipient**

Safe Routes to School Plans

The Mid-Minnesota Development Commission has begun to work with school districts and communities that have successfully applied for Safe Routes to School (SRTS) planning funds. In 2013, a SRTS Plan has been completed for Willmar's two elementary schools and the middle school. MMDC staff is currently assisting in preparing plans in the Cities of Glencoe and New London for their elementary and middle schools. The Commission shall assist three other school districts with SRTS Plans during fiscal year 2015. These Plans will be for schools located in the Cities of Hutchinson, Dassel, Olivia and Bird Island.

The Safe Routes to School Planning process purpose is to help create and implement a plan that will safely increase the number of children, who live within a reasonable distance, walk and bike to/from school.

The SRTS plan is based upon the "5 E's" of the National Safe Routes to School program:

> Education – providing the necessary materials to parents, educators, transportation providers, policy makers, and others regarding the benefits of students walking or bicycling to school;
>
> Encouragement – providing opportunities to promote safe walking or biking through school and community level programs and incentives;
>
> Engineering – identifying and correcting physical design deficiencies where children walk and bike to/from school, including pedestrian facilities, bike lanes, and street crossings;
>
> Enforcement – ensuring that existing regulations regarding such issues as vehicular speeds and the clearing of walkways are enforced by the appropriate authorities;
>
> Evaluation – reviewing the goals and initiatives of this SRTS program to benchmark progress over time and make adjustments that are necessary.

The benefits of regular physical activity, including walking and biking to school are numerous. Children build and maintain a healthy lifestyle, while directly helping to control weight, build lean muscle, reduce fat, and foster positive social, emotional, educational, and personal development. Research shows that starting an active lifestyle at an early age is crucial for children for their health now and into adulthood.

After SRTS Plans have been adopted, funds can be applied for to implement the measures that have been laid out in the plan. Safety projects involving improvement to infrastructure are eligible for funding through the federal Transportation Alternatives Program (TAP). TAP funding decisions are made at the local Area Transportation Partnership level. The state legislature periodically provides funding for non-infrastructure activities through MNDOT's SRTS program. These funds are also used to provide funding for carrying out new SRTS Plans.

Financial Report

Actual Figures Fiscal Year 2013

Revenues

Economic Development Admin	$ 62,628	
Revolving Loan Fund Admin	32,382	
HHS - MnRAAA	181,256	
Department of Transit	41,803	
Total Federal Sources		$ 318,069
Agricultural Credit	$ 3,516	
Department of Transportation	50,000	
HHS - MnRAAA	26,687	
HHS - EDP/Sail	57,088	
Total State Sources		$ 137,291
Property Taxes	$ 290,250	
Interest and Dividends	9,530	
Technical Assistance	35,554	
Other	-	
In-kind	23,807	
Total Local Sources		$ 359,141
Total Revenues		**$ 814,501**

Expenditures

Personnel	$ 437,886	
Supplies & Printing	7,680	
Communications	10,252	
Capital Outlay	12,319	
Services	3,601	
Volunteer Services & Other Uses	2,583	
Travel & Training	34,686	
Commission	11,274	
In-kind	23,903	
Indirect	217,447	
Total Expenditures		**$ 761,631**

Original Budget Fiscal Year 2014

Revenues

Economic Development Admin	$ 60,128	
Revolving Loan Fund Admin	30,529	
HHS - MnRAAA	138,244	
Department of Transit	20,526	
Total Federal Sources		$ 249,427
Agricultural Credit	$ 3,590	
Department of Transportation	75,000	
HHS - MnRAAA	26,687	
HHS - EDP/Sail	58,513	
Total State Sources		$ 163,790
Property Taxes	$ 277,284	
Interest and Dividends	6,050	
Technical Assistance	71,079	
Other	29,661	
In-kind	26,293	
Total Local Sources		$ 410,367
Total Revenues		**$ 823,584**

Expenditures

Personnel	$ 441,154	
Supplies & Printing	6,717	
Communications	9,737	
Capital Outlay	5,000	
Services	22,677	
Volunteer Services & Other Uses	3,865	
Travel & Training	31,306	
Commission	11,000	
In-kind	46,210	
Indirect	216,159	
Total Expenditures		**$ 793,825**

Mid-Minnesota Development Commission

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Please visit us at:
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Serving the People of Kandiyohi, McLeod, Meeker, and Renville Counties since 1974.

2013 MMDC Staff

Executive Director ..... Donn Winckler

Financial Director/Office Manager ..... Sue Gimse

Aging Program Director ..... Kate Selseth

Senior Outreach Specialist ..... Ashley Ronglien

Economic Development Director ..... Les Nelson

Community Development Director ..... Matthew Johnson

Admin.Assist./Technology Support Specialist ..... Terresa Westerman