**Wednesday, April 6, 2022, 7:00 p.m.**

**Meeker County Courthouse (Lower Level, Room A and B)**

**Members Present:** Commissioners Kevin Crowley, Doug Erickson, Jon Hawkinson, Jill Hoff, Doug Krueger, Tom McDonnell, Maureen Melgaard-Schneider, Robert Moller, Shawn Mueske Rollie Nissen, Lorallen Schmeling, Steve Schmitt, Dave Sebesta, Paul Simonsen, Berit Spors, DuWayne Underthun, and Jeff Vetsch.

**Members Absent:** Commissioners Jeff Benson, Rick Fagerlie, Sue Hilgert, Tracy Montgomery, Chris Rowan.

**Staff Present:** Executive Director Eric Day, Finance Director Sue Gimse, Economic Development Professional Michelle Marotzke, Transportation Planner Kyle Ten Napel, and Communications Specialist Ben Carlson.

**Guests:** Charles (Chuck) Schneider

**Call to Order**

Chairperson Crowley called the meeting to order at 7:00 p.m. and led the group in the Pledge of Allegiance.

# **Introductions**

Commissioners and staff present provided introductions.

# **Approval of Agenda**

Chairperson Crowley asked for any additions or corrections to the agenda. Executive Director Day requested one addition – Item G.-4., under “New Business”: Pennock Lion’s Club Community Enhancement Grant Application Consideration. Commissioner Nissen made a motion to approve the agenda, with the additional item from Director Day. Commissioner Moller seconded the motion, which carried with no dissenting votes.

# **Approval of January 26, 2022, Full Commission Meeting Minutes**

Commissioner Moller moved to approve the minutes of the December 1, 2021, MMDC Commission meeting, as presented. Commissioner Sebesta seconded the motion, which carried with no dissenting votes.

**Treasurer’s Report**

Commissioner Erickson provided an overview of the Treasurer’s Report. MMDC’s checkbook balance, as of March 15, 2022, is $1,476.97. Bills approved totaled $180,327.42 (payroll $99,966.55; vendors $41,829.53; transfer to savings $38,531.34). The Treasurer’s Report, provided with the meeting materials packet and referred to by Commissioner Erickson, also indicated a savings account balance of $395,194.06; Long Term Savings were $583,695.74; and the 4M balance was $92.06.

Commissioner Erickson made a motion to approve the treasurer’s report. Commissioner Hawkinson seconded the motion, which carried with no dissenting votes.

# **Consent Agenda**

The consent agenda consisted of notes/minutes from the following recent committee meetings:

Legacy RLF Committee Minutes – 2/9/2022

MMRTCC Subcommittee – 1/25/2022, 2/22/2022, 3/22/2022

Commissioner Melgaard-Schneider moved to approve the Consent Agenda. Commissioner Sebesta seconded the motion, which carried with no dissenting votes.

# **Correspondence and Announcements**

Executive Director Day informed the Commission that planning for the June 22 Full Commission and Annual Meeting is underway. Day reminded Commissioners that the Annual meeting will begin at 4:00 p.m., that the Public Hearing will be held at 5:00 p.m., then the Commission meeting will resume until 6:00 p.m., when MMDC’s annual Commissioner Appreciation dinner will be held. Day stated that his hope was that all business could conclude before dinner. Day also informed that he has been in contact with Minnesota Department of Employment and Economic Development Labor Market Analyst Luke Greiner, who has agreed to provide a labor market information update prior to the Commission meeting, at 3:00 p.m., for those who are able to attend and are interested.

Day informed that the location of the June 22 proceedings would likely be on the MinnWest Technology Campus again this year, as this is the caterers home location.

# **Staff Reports**

Chairperson Crowley referred to the written director and staff reports that were provided within the meeting materials packet and asked if there were any questions. There were no questions from the Commission.

Commissioner Moller made a motion to approve staff reports, as presented. Commissioner Nissen seconded the motion, which carried with no dissenting votes.

# **Old Business**

There was no Old Business.

# **New Business – Action Items & Commission Business**

**Aging Update:** Commissioner Melgaard-Schneider provided the Commission with several updates, including:

* On March 30, Governor Walz signed a bill to support and provide financial backing for ALC research and ALS caregiver support programs. This one-time, $5 million dollar grant will be allocated by the Minnesota Board on Aging to the state’s Area Agencies on Aging. Funds will be available until June 30, 2026, available to support respite, information, education, and training.
* Social Security offices, which have been closed since the start of the pandemic, are scheduled to re-open to the public this week. Appointments are encouraged and masks are required.
* Commissioners should be on the lookout for Go Health, an entity that is currently mailing postcards to MN Medicare recipients, encouraging them to call so they can get social security money put back into their accounts. Go Health is providing incomplete information and anyone who receives such a postcard should discard it. Anyone who receives a call from Go Health should ignore it and avoid responding. The organization is providing incomplete information and is not helping seniors enroll in a Medicare savings program through the counties.
* Commissioner Melgaard-Schneider thanked Commissioner McDonnel for sharing information, via email earlier on April 6, on the Alzheimer’s fight to convince Medicare to expand coverage of the Aduhelm drug, a new Alzheimer’s medication that is currently severely-restricted to clinical trials only. Over 10,000 comments have already been received from members of the public. Commissioner Melgaard-Schneider noted that Biogen, the drug’s manufacturer, has submitted their final protocol for this study, which is to be completed within four years. The company is working to be very inclusive – no less than 18% of study participants will be African American and/or Latino. The estimated cost of this drug, while still expensive and out of reach for many people, has been reduced from $56,000 to $28,000 per year. A Medicaid decision on whether or not to expand drug availability is expected on April 11.

**MinnWest Technology Campus Lease Renewal:** Day provided a handout with an updated lease proposal from the MinnWest Technology Campus. This version corrects an error which was noticed by Commissioner Thomas McDonnell and which could have left the possibility of rent increases up to some interpretation. The updated lease, for the period of July 1, 2022, through June 30, 2026 (5 year term), is an extension of the current lease at the current rate of $14 per square foot/year, plus $100 per month for basement storage, plus utilities. This rate would remain flat for the five year period. Day reported that MMDC staff are happy with the current office space. Day also stated that the amount of space is adequate for MMDC’s current and foreseeable needs. Day then requested a motion to move forward with the proposed lease. Commissioner McDonnell made a motion to move forward with the lease, as presented. Commissioner Moller seconded the motion, which carried with no dissenting votes.

**Liability Coverage – Waiver Form:** Finance Director Sue Gimse informed the Commission that the League of Minnesota Cities requires passage and the completion and signing a waiver form indicating whether MMDC does or does not choose to waive the monetary limits on municipal tort liability established by statute. Gimse informed that, in the past, MMDC has not waived tort liability limits. Gimse then requested that the Commission once again move to not waive these tort liability limits and referred to the form that was included in the meeting packet. Commissioner Nissen made a motion to once again not waive tort liability limits. Commissioner Erickson seconded the motion, which carried with no dissenting votes.

**Bank Authorization Update:**

* **US Bank:** Gimse referred to the proposed updated Master Services Agreement for US Bank which was included in the meeting packet. Once submitted, this form would add MMDC Finance & Office Manager Darla Bajari as an authorized signer. Commissioner Schmitt offered a motion to move approve the updated Master Services Agreement. Commissioner Schmeling seconded the motion, which carried with no dissenting votes.
* **Bremer, Harvest, and Heritage Banks:** Gimse stated that, while a form as elaborate as US Bank’s is not required for MMDC’s other current banking institutions, MMDC staff would like approval to add Finance & Office Manager Darla Bajari as an authorized signer for Bremer, Harvest, and Heritage Bank accounts. Commissioner Mueske offered a motion to approve Darla Bajari as an authorized signer for all of MMDC’s banks and accounts, including those at Bremer, Concord, Harvest, and Heritage Banks. Commissioner Spors seconded the motion, which carried with no dissenting votes.

**McLeod County Road 85 – Functional Classification Change:** MMDC transportation-focused community planner Kyle Ten Napel presented a proposed functional classification change for McLeod County Road 85. This road segment would be upgraded from a local road to “minor collector” status. The change has been reviewed by McLeod County’s engineer. While at this time no road work is proposed for the road segment, this change in status may make it easier to advocate for funding to complete future projects along the roadway. It would be considered a higher priority as a minor collector than it would be if it remained a local road. Ten Napel informed that the entirety of County Rd 85 was intended to be reclassified as a minor collector previously, but that this segment was missed due to the fact that it crosses the county line.

Day requested a motion to move the Functional Classification Change forward and recommended signatures from MMDC’s present Transportation Advisory Committee members. Commissioner Hawkinson made a motion to move forward the reclassification of the indicated segment of McLeod County Rd 85 from local road to minor collector. Commissioner McDonnel seconded the motion, which carried with no dissenting votes, after further clarification of the fact that this was indeed an upgrade of functional classification.

Day then asked for signatures from Chairperson Crowley, Commissioners Krueger, Nissen, Schmeling, Underthun, and any other interested Commissioners who participate in MMDC’s Transportation Advisory Committee.

**MnDOT Planning Grant FY 2023:**  Day informed the Commission that the FY 2023 Grant will require the completion of several planning documents and the passage of a resolution, which is to be prepared and provided by MnDOT but which MMDC has not yet received. As the next MMDC Full Commission meeting is not scheduled to be held until June 22, Day asked for support to allow MMDC’s Executive Committee to approve the resolution earlier in June, to allow more time for the turnaround and avoid any delay at the start of the new fiscal year. Day reminded the Commission that this is a $75,000 one year grant that requires a 15% funding match.

Commissioner Doug Krueger expressed concerns with Day’s request, stating that he would like to see the verbiage of any new resolution from MnDOT. Krueger suggested that Day send the resolution, once received, to all Commissioners by email and that, if there is something in the resolution that a number of Commissioners would challenge, then it should come before the Full Commission for a vote. Day stated that he would be happy to share the resolution and associated documents to all Commissioners, by email, to review so that any Commissioner who has a question can get that question answered. Day didn’t anticipate a problem with holding off on any vote until the Full Commission could meet if there were concerns, so long as MMDC’s Executive Committee had no concerns.

Chairperson Crowley then directed Day to send the resolution and associated documents to the Commissioners, once received, and give all commissioners the opportunity to indicate whether or not they support moving forward. The MMDC Executive Committee can then act with this information in mind. No further action was taken at this meeting.

**Community Enhancement Grant Application Considerations:** Executive Director Day shared a summary of Mid-Minnesota Community Enhancement Grants approved to-date. This summary also indicated dollars that remain available ($16,626.03) from the $30,000 designated for Community Enhancement Purposes. Day indicated the balance of funds would be enough to fully-fund all four applications up for consideration at this meeting, should the Commission wish to do so.

Day then presented four community enhancement grant applications, which were included in the meeting packet, to the Commission for funding consideration.

1. **Renville County Human Services:** Day informed that Renville County Human Services applied for $2,000, to be matched with an in-kind donation of $1,904, to fund in-person training, peer support, and networking for the county’s foster-care providers. Training topics could include boundaries with birth parents, attachment and detachment, fire safety, selfcare, chemical dependency, mental health and more. Funds may also be used to provide some gas (presumably gas cards) to participants to support their training attendance.

Commissioner Moller inquired as to where the funds for this type of training would normally come. Day explained, along with Commissioner Berit Spors, McLeod County Health and Human Services Director, that Renville County likely would not be able to conduct the training as there would be no other known funding source. Commissioner Spors indicated her verbal support for the project. Commissioner Melgaard-Schneider asked Commissioner Spors if she was aware of how much training foster-care providers typically receive. Commissioner Spors informed that the level of training is usually very minimal. Commissioner Melgaard-Schneider then made a motion to fund Renville County Human Services’ Mid-Minnesota Community Enhancement Fund, at the requested amount of $2,000, to support training for foster-care providers. Commissioner Simonsen seconded the motion, which carried with no dissenting votes after further discussion.

1. **Grove City Area Care Program:** Day presented an application from the Grove City Area Cares Program, a program that serves seniors in Grove City and the surrounding area. The Grove City Area Cares program requested $3,000 from the Mid-Minnesota Development Commission. Funds would be used for the purchase and installation of fixed location adult outdoor exercise equipment, which would be installed near the Grove City Cares Program Office, which is located in the former Grove City School, a space which also houses senior dining and 14 senior apartment units. This equipment installation would promote core fitness, flexibility, balance, etc. among Grove City area seniors.

Day explained that, as their indicated match was not adequate to receive the amount of funds requested (50 percent match required for projects of this nature) Day had reached out to the program’s director who made the decision to increase the Grove City Area Care Program’s match from $1,500 to $3,000.

Commissioner Schmitt, who serves on Grove City Area Cares Program’s board, stated that the program currently serves seniors from as far as Cosmos and the Mannanah area. The program also delivers meals-on-wheels and has been in operation for 25 years.

Commissioner Spors made a motion to approve and fund Grove City Area Cares Program’s Mid-Minnesota Community Enhancement Program request for $3,000 to support the purchase and installation of outdoor fitness equipment. Commissioner Mueske seconded the motion, which carried with no dissenting votes and Commissioner Schmitt abstaining (due to his Grove City Area Cares Program Board participation).

1. **MNYou Inc.:** Day presented an application from MNYou, Inc. MNYou, Inc. submitted this application to request $2,000 to support their existing small scale agriculture and entrepreneurship training for Willmar area youth, including youth with disabilities and youth from communities of color. This program teaches young people to run a small farm, including sales, marketing, farming techniques, and farm management). Funds would be matched with $2,000 from MNYou, Inc. and would be used to purchase additional overhead irrigation and support youth training wages. Day informed the Commission that he had inquired and that MNYou’s training wages are typically $10.50 per hour, though youth who move up to supervisory positions can earn $15 per hour.

Commissioner Schmitt made a motion to approve and fund MNYou, Inc’s Mid-Minnesota Community Enhancement Program request for $2,000 to support the organization’s youth training program. Commissioner Vetsch seconded the motion, which carried with no dissenting votes.

1. **Pennock Lions Club:** Day provided a handout for an application that was not included in the meeting materials packet. Pennock Lions Club submitted an application requesting $1,080, to be matched with $270 the club had already raised, for the purchase of an Automatic Electronic Defibrillator (AED) unit which would be installed at the Pennock Community Center, a location that is frequently rented for birthdays, meetings, and anniversaries, is heavily-used during Pennock’s town celebrations, and is the polling place for the City and two townships.

Commissioner Moller made a motion to approve and Fund Pennock Lions Clubs Mid-Minnesota Community Enhancement Program request for $1,080 to support the purchase of an AED unit. Commissioner Nissen seconded the motion, which carried with no dissenting votes and Chairperson Crowley abstaining (due to his Pennock Lions Club involvement/membership).

**MNDOT RTCC Resolution for Phase Four, Year Two:** Day reminded the Commission that, during the spring of 2021, the Commission voted to approve a resolution to enter Phase Four, Year One, of the RTCC grant. However, MnDOT does require a new resolution be passed each funding year, as there is a 10 percent funding match required from the locals, in this case MMDC. Day stated that he anticipated the total amount of the program for the upcoming fiscal year will be between $200,000 and $210,000, with an expected contribution from MMDC of $20,000 to $21,000. Day referred to the resolution found within the meeting materials packet. Day indicated that this resolution was very similar to the resolution the Commission considered in 2021. Day reminded that this program works to improve transportation coordination and transportation access, especially for those with disabilities, those who are low income, and the aging population. Day informed that he believes the program has made great progress, especially in the last five quarters since Transportation Resource Coordinator Terry Smith came aboard. Day informed that MMDC/MMRTCC staff recently submitted an AARP Community Challenge Grant application. If awarded, funds would be used to purchase transit bus tokens and passes for distribution to McLeod County residents living in care facilities (group homes, long-term care, assisted living, etc.). These tokens could be used by the residents themselves or distributed to those who may visit them at their facility. The goal of this program is to help reduce transportation cost barriers for these individuals. Day went onto report that Smith is currently working on another campaign to improve awareness of volunteer and professional driver opportunities. Smith is also focused on volunteer driver recruitment and very recently had some discussion related to bringing a very small volunteer driving organization into the Central Community Transit fold to improve coordination. Additionally, Smith has recently spent some time bringing another non-emergency transportation provider – Blue Earth Taxi – to the region. Day reminded that the program funds 100 percent of Smith’s time, as well as a portion of Day’s time and a smaller portion of communications and finance time.

Commissioner Krueger expressed concern and said that he is considering a recommendation, to the McLeod County Board, to revoke the RTCC and have McLeod County opt out of RTCC participation. Krueger indicated that he saw no value provide by the RTCC that they cannot do in-house. Day inquired, for clarification, as to if Krueger meant that Trailblazer Transit would be opting out of the RTCC. Krueger clarified that he meant that McLeod County would opt out. Krueger stated that when the RTCC was originally presented to the McLeod County Board, the county passed a resolution to support or approve the RTCC failed in Sibley County and passed in McLeod County on a 3-2 vote, with both County Commissioners who served on Trailblazer Transit’s board voting against. The complexion of the McLeod County Board has now changed. Krueger expressed his concerns over the fact that McLeod County is spending too much money on RTCC participation, in part because Trailblazer Transit serves an area that sits in three different RTCC areas. Krueger indicated his believe that the time Trailblazer Transit is spending on RTCC and the value they are receiving isn’t working for them.   
  
Day offered, for clarification purposes, that none of the MMDC’s four counties have provided or are being asked to provide financial support for the RTCC project. Day stated that the program does require a minimal amount of staff time from anyone who takes part, including MMRTCC Advisory members – transportation providers, human services providers, and members of the public. Day indicated that MMDC/MMRTCC staff try to keep these commitments to a minimum and stated that rarely does it involve more than 2-3 hours of their time in a given month, though Day acknowledged that this could add up if involved with multiple RTCCs.

Commissioner Krueger indicated that he had concerns that the RTCC may not be able to function without County Commission support from all four counties.   
  
Finance Director Sue Gimse reminded the Commission that the RTCC was originally going to be a stand-alone entity, with MMDC as an administrative host. However, that program changed and the RTCC became an MMDC program, with MMDC Commission oversite. Therefore, those individual county resolutions were no longer necessary for RTCC operation.

Day offered that Trailblazer Transit is one provider that the MMRTCC is working with in McLeod County but is not the only provider being served within McLeod County. Day stated that he sees the MMRTCC as a program that is intended to serve the people of McLeod County and that it would be his intent to continue doing that unless the Commission voted to end participation.   
  
Commissioner Krueger stated that he was not lobbying against the program but again reiterated that he was considering getting the matter on the McLeod County Board Agenda to opt out of further participation.

Commissioner Melgaard-Schneider encouraged expressed her strong support for the MMRTCC. She encouraged all Commissioners to consider the fact that this is the Mid-Minnesota RTCC, therefore the program covers all four MMDC counties. Melgaard-Schneider reported that, from a state-wide perspective, the MMRTCC is doing wonderful work and that Terry Smith is one of the best hires MMDC could have made. She indicated that the program has had statewide coverage, is serving people, and is meeting needs. Melgaard-Schneider also indicated her belief that the MMRTCC has gained favor with MnDOT, noting that Smith was the presenter at a recent meeting of the Minnesota Council on Transportation Access’s board, on which she sits as a Minnesota Board on Aging representative. Melgaard-Schneider stated that she is not in favor of doing anything that would raise a red flag with MnDOT, by showing a lack of support for the program, as MMRTCC is currently held in good regard with the state agency. She acknowledged that she is not a McLeod County resident but said that she would like to see the project move forward.

Day indicated his memory that, ultimately, Matt Johnson’s direction was to approach each MMDC county for a motion to support RTCC efforts.

Commissioner Mueske stated that it is clear that the MMDC has benefited from the RTCC grant and that McLeod County doesn’t see that same benefit. Commissioner Mueske stated that the MMRTCC has work to do to ensure McLeod County doesn’t feel this way.

Commissioner Krueger indicated that he would like to see documentation, referring to Gimse’s comment on RTCC structure, on when things changed and when the program was brought under the MMDC rather than stand alone and requiring approval of all four county boards.

Day reiterated that the focus of the AARP Grant would be McLeod County. This in an effort to balance the MMRTCC’s attention, as McLeod County has not benefited from volunteer driver-related efforts.

Krueger expressed frustration over the fact that it has been difficult to get seniors to take advantage of Trailblazer Transit’s bus and Smart Ride services. Day stated that many AARP-funded tokens would be distributed as part of transit bus discussions, which may include some “first ride” experiences.

Krueger also stated that [waiver] clients who require transportation services cost the county $300 more when they are not willing to wait an hour for the transit bus. When asked by Commissioner Melgaard-Schneider if case managers provide full transportation information to clients, Commissioner Spors explained that clients are provided all transportation information, but that clients ultimately have a choice of which providers they can use. The county cannot say that a client must use Trailblazer Transit. Berit expressed hope that more education among seniors and others may help to steer more people to use of the more affordable transit bus.

Commissioner Moller inquired as to if there will be a Phase Five of the RTCC for MMDC. Day indicated that there has been no indication from MnDOT that they are anywhere near ready to slow down.

Commissioner Krueger stated that Trailblazer Transit’s Executive Director has suggested that it might make sense for Trailblazer to do away with rider fares. Day offered to provide a letter of support to move in that direction, stating that he agrees that ridership would likely improve/increase if services were provided without fare.

Commissioner Melgaard Schneider made motion to approve the prepared resolution to submit Phase 4 Grant documents to secure continued financial assistance and to subsequently execute a grant agreement for Fiscal/Program Year 2023, and to commit the necessary non-federal share of project dollars necessary to fund Phase 4 RTCC grant project expenses during Fiscal/Program year 2023, and to authorize the Executive Director and/or Board Chairperson to execute the grant agreement. Commissioner Hoff seconded the motion, which carried by roll call vote with no dissenting votes and Commissioner Krueger abstaining.

Resolution

**WHEREAS** the Minnesota Department of Transportation (MnDOT) wishes to continue its partnerships with identified stakeholders to forward Regional Transportation Coordination Councils (RTCC) throughout greater Minnesota; and

**WHEREAS** the goal of the RTCCs is to improve the mobility of “transportation disadvantaged” individuals, including older individuals and individuals with disabilities, by improving coordination among transit providers, private sector transportation providers, and other service agents to fill transportation gaps, streamline transportation access, and provide increased transportation; and

**WHEREAS** the Mid-Minnesota Development Commission is currently administering Phase 4 RTCC Program work (year 1 of 2); and

**WHEREAS** the second year of this two-year Phase 4 RTCC Grant will allow continued advancement of the transportation access-related work; and

**WHEREAS** the local financial match will remain at no less than ten (10) percent for the second year of the Phase 4 RTCC Implementation Grant.

**NOW THEREFORE BE IT RESOLVED** that the Mid-Minnesota Development Commission authorizes staff to submit RTCC Phase 4 Grant documents to secure continued financial assistance and to subsequently execute a grant agreement for Fiscal/Program Year 2023, with the State of Minnesota for continued implementation of the Regional Transportation Coordinating Council (RTCC) Grant.

**BE IT FURTHER RESOLVED** that the Mid-Minnesota Development Commission is committed to providing the necessary non-federal share of project dollars necessary to fund Phase 4 RTCC grant project expenses during Fiscal/Program year 2023. This commitment is for at least ten percent of the total cost to the project during this second program year of the two-year grant period. This required local share will be made available as needed and is not encumbered in any way that would preclude its use toward this project.

**BE IT FURTHER RESOLVED** that the Mid-Minnesota Development Commission authorizes the Executive Director and/or Board Chairperson to execute the aforementioned grant agreement with MnDOT Office of Transit and any amendments thereto.

Attest:

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Chairperson Date

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Executive Director Date

**CARES Act Supplemental Grant Spending Extension Update:** Day informed that MMDC has submitted documents needed to extend spending for MMDC’s CARES Act Supplemental Grant. Day expects funds to be expended by late November or early December of 2022. Day reminded the Commission that, in calendar year 2021, a decision was made to forgo replacing departing economic development professional Les Nelson and stick with two economic development professionals for the long-term. This avoided the necessity to hire a third professional just to lay them off again at the end of the fiscal year. It also provided MMDC the opportunity to access CARES Act funds for a longer period. Day reminded the Commission that, after the CARES Act grant goes away, unless something new replaces it, then MMDC will be using more general funds and reserves to support maintaining both of our current economic development positions and to keep them doing all of the good work they have been doing across the region. Day expressed that MMDC is doing more in the region now than we were doing in years past. Day also stated that MMDC would look for more revenue opportunities to help support both positions and cited recent conversations Economic Development Professional Michelle Marotzke has had with an organization who may be interested in contracting for some strategic planning. Day also said there may also be new grants MMDC decides to pursue but reiterated that the use of more general funds and reserves may also be necessary. Day stated that no action was needed at this time but that he wanted to afford Commissioners the opportunity to start thinking ahead to the next fiscal year.

Chairperson Crowley inquired as to if MMDC could apply for additional CARES Funds. Day informed that there is no opportunity to apply for those particular funds. Day stated that he is aware that President Biden did include an increase in economic development funding in his budget proposal but that the final budget will be a product of congress, though economic development often receives a fair amount bipartisan support. Day also stated that the National Association of Development Organizations is beginning to “rally the troops” to push for an increase in the size of the normal EDA planning grant – currently a $70,000 grant with a $70,000 match (per year).

**American Rescue Plan RLF Application Update:** Day informed the Commission that MMDC’s ARPA Application, via the EDA, to capitalize a third revolving loan fund, is still in process. MMDC did receive a letter on February 16 indicating that the proposal had moved forward to the next level of consideration and EDA staff not only indicated that they liked MMDC’s plan, but also encouraged other Minnesota regions to consider similar submissions. Day stated that one region who patterned their application after MMDC’s has been funded. Day stated that he remains optimistic that MMDC will be able to capitalize this third RLF fund, which will provide a good borrowing opportunity for regional entrepreneurs while also providing another interest revenue opportunity.

**Legacy Revolving Loan Fund Lending Plan Updates and Clarifications:** MMDC Economic Development Professional Michelle Marotzke pointed to Legacy RLF Lending Plan updates included in the meeting materials packet. Marotzke indicated that these suggested changes had been brought to the Legacy Loan Approval Board. She then provided the Commission with an overview of their questions and provided answers to those questions.

Marotzke noted that there was question surrounding the fact that acquiring an equity position in a company is a prohibited activity. Marotzke said that this is in line with EDA loan requirements, and that the intent is to keep borrowers from using loan funds to purchase stock in publicly traded companies (e.g. Apple).

Marotzke noted that Loan Approval Board members inquired as to if the Legacy origination fee was too high. Marotzke stated that, while the origination fee is higher than with other lenders, MMDC’s borrowers are often higher-risk than borrowers of more traditional lenders. Marotzke also verified that there have been no concerns expressed by prospective borrowers. This origination fee is also in-line with MMDC’s CARES Act Revolving Loan Fund.

Marotzke said that there were questions surrounding the potential term of up to 15 years for Loans above $60,000. Marotzke stated that, while this term is long, MMDC does not currently have a loan with this term. All loans of this size would be brought to the Commission for final approval and could be considered on its merit at that time.

Marotzke also said other clarifications were made throughout the document, including language surrounding the loan rates and validity.

Commissioner Moller made a motion to approve the Legacy Revolving Loan Fund updates, as presented. Commissioner McDonnel seconded the motion, which carried with no dissenting votes.

**Legacy/CARES Revolving Loan Program Updates:** Marotzke provided an update of funds available in CARES and Legacy RLFs. About $40,000 is available in the CARES RLF Fund and about $161,000 available for lending via the Legacy RLF. MMDC is currently working with several interested parties. If those potential loans come to fruition, available dollars will be put out on the street rather quickly.

Marotzke shared that the Willmar Childcare Center sold at a sheriff’s sale earlier in the day, and that the high bidder was Southwest Initiative Foundation, who had filed foreclosure a few weeks ago, due to nonperformance as the center is not open. While Willmar Childcare Center did file for a temporary restraining order against Southwest Initiative Foundation in an effort to stop the sale, this restraining order was denied. Marotzke said that there will be a six month redemption period, during which the borrower could make SWIF whole. If this occurs, there are things in place to protect MMDC. Day reminded that the Kandiyohi County and City of Willmar EDC and African Development Center are also lending partners for this project. Marotzke said that MMDC will not release our mortgage until MMDC has its money back. The facility is turn-key for a childcare center and is fully-insured. When asked by Commissioner Schmeling why the Willmar Childcare Center has not opened, Marotzke reported that the company cites the COVID 19 pandemic as the reason. Marotzke indicated that the mission of the project – a culturally competent childcare center in Kandiyohi County – is still in view.

**Program Updates and Questions for Staff:** No commissioners had questions and no further updates were required.

**Officer Recruitment Update:** Commissioner Moller reminded the Commission that there are three upcoming Executive Committee/Commission Officer vacancies upcoming at the end of June (Chair, Vice Chair, and Treasurer). Commissioner Sue Hilgert will continue to serve as MMDC’s Secretary and Commissioner Dave Sebesta will continue to serve as MMDC’s Member-at-Large through FY 2023. Commissioner Moller reported that he has had conversations with one person interested in each of the three soon-to-be vacant positions. Others who are interested should be sure to let him or Executive Director day know.

Commissioner Moller did point out that there needs to be some consideration of the fact that a majority of officers need to be from elected positions (not member who represent entities in the public interest), according to MMDC bylaws. However, between those who will continue to serve and those who have expressed interest, that requirement would be met.

**Board Vacancies:** Day provided handouts with biographical information for two individuals interested in Commission participation.

* **José Luciano:** Mr. Luciano is a Winsted Township Board Member (McLeod County). The McLeod County Township Association Chair, Tony Hausladen put Mr. Luciano in touch with Day and Luciano has agreed to represent McLeod County Townships on the MMDC. As this position is appointed by the McLeod County Townships, there is no need for a Commission vote. Biographical information was provided for informational purposes only. Day expressed that Mr. Luciano has a great background and will be a good addition to MMDC. Day informed that Mr. Luciano, regrettably, was unable to attend this Commission meeting, due to travel that was previously arranged. However, Mr. Luciano does plan to attend the June 22 Commission meeting.
* **Kiza Olson**: Day reported that Ms. Olson is interested in representing the Healthcare Sector in the Public Interest. Olson has significant healthcare administration experience. She currently serves as an administrator for Meeker – McLeod – Sibley Community Health Services. She has also served for a number of years on the Meeker County Hospital Board. Ms. Olson is from Litchfield, where she currently resides. Day informed that he had the opportunity to participate in Litchfield’s Blandin Leadership group with Olson several years ago and stated his belief that she would be another great addition to the Commission. As she would serve the Commission in the public interest, a motion and vote is required. Commissioner Spors made a motion to approve Kiza Olson’s participation on the Commission. Commissioner Moller seconded the motion, which carried with no dissenting votes.

Day informed the Commission that MMDC would be sending retiring Commissioner Robert Anderson a framed certificate of appreciation for his years of services. Commissioner Krueger informed that a retirement party is planned for Anderson. This will be held from 2:00 – 4:00 p.m. at the Hassan Valley Town Hall, on Sunday, April 10.

**Other:** There was no other business.

**Adjournment:** With no further business, Commissioner Schmitt moved to adjourn the meeting. Commissioner Nissen seconded the motion, which carried with no dissenting votes.

Chairperson Crowley adjourned the meeting at approximately 8:40 p.m.

Respectfully Submitted,

Eric Day, Acting Secretary

Kevin Crowley, Chairperson Suzanne Hilgert, Secretary