

2023

Annual Report

Mid-Minnesota Development Commission

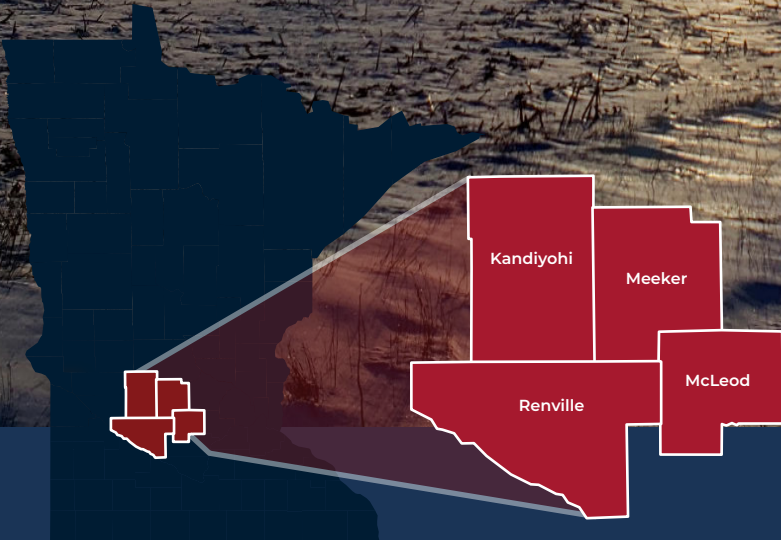


Table of Contents

Who We Are:	2
New Opportunities and Initiatives at MMDC:	3
Mid-Minnesota Development Commission Board of Commissioners	4
Meet Our Team of Professionals:	5
Financials	6
MMDC Economic Development: 2023 Highlights!	7
MMDC Economic Development: 2023 Highlights!	8
MMDC's Revolving Loan Fund: 2023 Highlights!	8
MMDC Community Development: 2023 Highlights!	12
New Talent!	12
Mid-Minnesota Regional Transportation Coordinating Council Highlights!	13

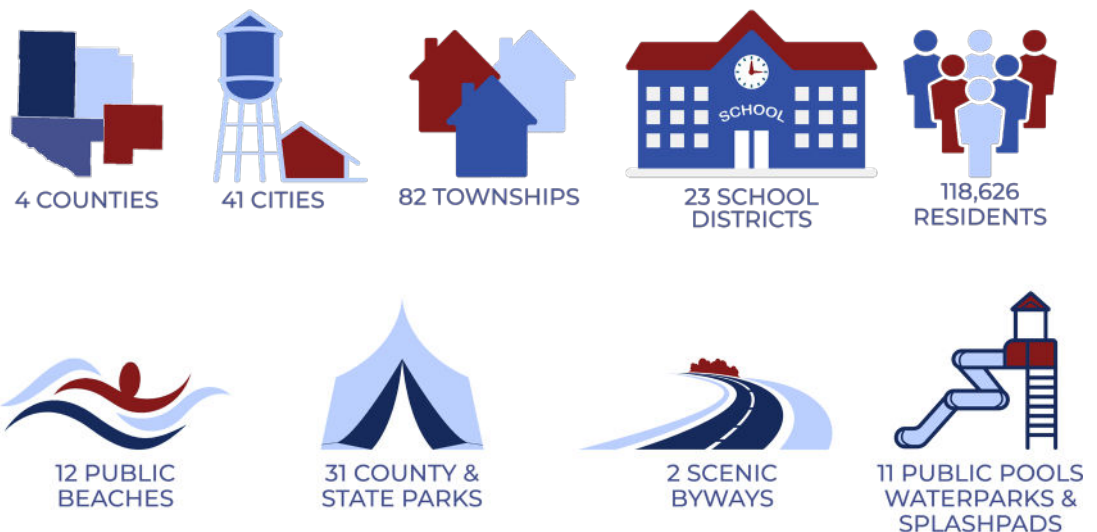
Who We Are:

Mid-Minnesota Development Commission (MMDC) is a regional development commission and an independent regional government entity, created as a result of Minnesota's Regional Development Act (1969). We serve the four rural Minnesota counties of Kandiyohi, McLeod, Meeker, and Renville. This region is also known as Minnesota Economic Development Region/District 6E. MMDC is governed by a Board of Commissioners, including a majority of elected officials as well as other non-elected subject matter experts who lend their experience and expertise to guide our work.

MMDC partners with local stakeholders to strengthen communities, improve quality-of-life and increase opportunities for economic prosperity. We often provide technical assistance to communities, businesses and local organizations who lack the internal capacity required for planning and other goal achievement. We also work to help our residents and communities overcome shared barriers to success. To that end, we often collaborate to fill workforce, housing, childcare, broadband, and transportation gaps. This while also using financial resources, expertise, and connections to empower our business community as they strengthen our region's economy by opening new and expanding existing enterprises.



MMDC's annual report cover photo was provided by MMDC Economic Developer Michelle Marotzke. This photo, featuring a sundog and a local wind turbine on frigid winter's day, was selected as a Winner of the National Association of Development Organizations' annual photo contest, in the Sustaining Our Communities category.



New Opportunities and Initiatives at MMDC:

2023 brought exciting new opportunities to Mid-Minnesota Development Commission. In addition to our more traditional economic and community development work, this year gave MMDC the chance to enter new arenas.

This year marks a major milestone for MMDC in the area of clean energy. In order to help our business community, including businesses owned by those who have traditionally faced barriers to success, MMDC, in collaboration with Clean Energy Resource Teams (CERTs) and the University of Minnesota Extension's Regional Sustainable Development Partnerships (RSDP) pursued and secured a small Rural Business Development Grant from the U.S. Department of Agriculture (USDA). The result is our new Energy to Grow Program. Energy to Grow connects our business community with energy savings opportunities to improve their bottom line while reducing their demand for energy. As power consumption is reduced, additional capacity is created on the electrical grid and the environmental impact of businesses is reduced. Learn more about this project on page 13.

While the Energy to Grow Program is MMDC's first recent foray into the world of energy, it's quite apparent that it's only a beginning. This fall, MMDC worked to secure funding from the Minnesota Department of Commerce, made available by the Minnesota Legislature. These financial resources will allow MMDC to assist regional stakeholders as they pursue clean energy funding included within the U.S. Inflation Reduction and Infrastructure Investment and Jobs Acts (IRA and IIJA). In short, MMDC would provide grant writing and grant management services to communities, businesses, and other eligible entities who lack capacity for this work. MMDC would also help these stakeholders connect with Statewide Competitiveness Fund Dollars, set aside by the MN Legislature to assist IIJA and IRA applicants with the typically required non-federal financial match. In December, MMDC was informed that we would be awarded funds to provide this high-value service. For more information on MMDC's Local Grant Development Assistance Program, please visit page 13.

Of course, MMDC would be remiss if we delved too far into our energy work without ensuring we had an industry expert to help guide us. In September, our governing board decided to add a commissioner to represent the renewable energy sector. Our board now includes 27 commissioners, including 16 elected officials and 11 regional residents, and subject matter experts, serving in the public interest. A full listing of MMDC's Board of Commissioners can be found on page 4.

While MMDC's new venture into energy is exciting, it isn't our only new initiative. Within this report, readers will also learn about MMDC's new Regional Food Business Center role (page 7) as well as a couple of important developments to improve and protect quality of life for our region's roughly 120,000 residents. Namely, our work to inform on and prevent fraud victimization among our seniors (page 12) and our new efforts to reduce transportation barriers to non-drivers (page 13). Readers will also learn about the new business ventures MMDC is supporting with the help of our three revolving loan funds. Thank you for your continued support of our organization and our broader mission.

MMDC Mission: "To administer state and federal programs and coordinate multi-jurisdictional activities, and to provide technical assistance to government, business, and local organizations in order to maintain and enhance the quality of life and support economic development."

Mid-Minnesota Development Commission Board of Commissioners

Kandiyohi County Elected Representatives

Mike Brouwer	Kandiyohi County Townships (Willmar Township)
Kevin Crowley	Kandiyohi County Municipalities (City of Pennock)
Roger Imdieke	Kandiyohi County Board of Commissioners
Rollie Nissen	Kandiyohi County Board of Commissioners
Carl Shuldes	Municipality Over 10,000 Residents (City of Willmar)
DuWayne Underthun*	Kandiyohi County Townships (Willmar Township)
Jeff Vetsch	MMDC Region School Boards (New London-Spicer)

McLeod County Elected Representatives

Tiffany Barnard	MMDC Region School Boards (Hutchinson District)
Tony Hausladen	McLeod County Townships (Winsted Township)
Doug Krueger	McLeod County Board of Commissioners
José Luciano	McLeod County Townships (Winsted Township)
Yodee Rivera	McLeod County Municipalities (City of Plato)
Dave Sebesta	Municipality Over 10,000 Residents (City of Hutchinson)
Steve Stotko*	McLeod County Municipalities (City of Winsted)

Meeker County Elected Representatives

Chris Rowan	Meeker County Municipalities (City of Watkins)
Lorallen Schmeling	Meeker County Townships (Cedar Mills Township)
Steve Schmitt	Meeker County Board of Commissioners

Renville County Elected Representatives

Doug Erickson	Renville County Board of Commissioners
Jon Hawkinson	Renville County Municipalities (City of Olivia)
Paul Simonsen	Renville County Townships (Bandon Township)

Public Interest Groups

Brent Guyan	Public Interest (Renewable Energy Sector)
Sue Hilgert*	Public Interest (Mental Health & Substance Abuse Recovery Sector)
Jill Hoff	Public Interest (Local Workforce Development Board)
Roger Imdieke	Public Interest (Transportation Sector)
Thomas McDonnell	Public Interest (Information Technology Sector)
Maureen Melgaard-Schneider	Public Interest (Aging Population)
Robert Moller	Public Interest (Agriculture and Aggregate Mining Sectors)
Shawn Mueske	Public Interest (Higher Education/Ridgewater College)
Kiza Olson	Public Interest (Healthcare Sector)
Reagan Quinn	Public Interest (Mental Health Sector)
Berit Spors	Public Interest (Youth & People with Disabilities)

*These regional leaders retired from Commission service during the 2023 calendar year.

Meet Our Team of Professionals:



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Financials

REVENUES	FY2023 Year End	FY2024 Budget*
Local Tax Levy	\$ 385,506	\$ 385,254
Economic Development Administration	\$ 199,835	\$ 70,000
RLF - Legacy Loan Fund	\$ 25,864	\$ 30,200
RLF - CARES Loan Fund	\$ 15,968	\$ 17,000
RLF - ARPA Loan Fund	\$ 13,151	\$ 19,120
Local Contracts/Miscellaneous	\$ 475,779	\$ 238,480
MN Department of Transportation - Planning	\$ 75,000	\$ 75,000
MN Department of Transportation - RTCC	\$ 169,108	\$ 234,000
Total	\$1,360,211	\$ 1,069,054

EXPENDITURES	FY2023 Year End	FY2024 Budget*
Salaries & Fringe	\$ 673,709	\$ 794,419
Supplies & Printing	\$ 5,479	\$ 18,958
Communications	\$ 57,083	\$ 42,823
Services	\$ 65,980	\$ 71,499
Capital Outlay	\$ 1,944	\$ 3,742
Volunteer Services	\$ 399	-
Travel & Training	\$ 16,682	\$ 45,822
Local Contracts/Miscellaneous	\$ 576,400	-
Commissioner Travel/Expenses	\$ 12,500	\$ 12,000
Total	\$ 1,410,176	\$ 989,263

Fiscal Year 2023 Audit: The Mid-Minnesota Development Commission contracts with Conway, Deuth and Schmiesing, PLLP, Certified Public Accountants, Willmar, Minnesota to conduct an annual audit. The Fiscal Year 2023 auditors report expresses an unqualified opinion on the General Purpose Financial Statements of the Mid-Minnesota Development Commission. A copy of MMDC's FY 2023 Audit Report can be found at: <https://mmrdc.org/publications/>

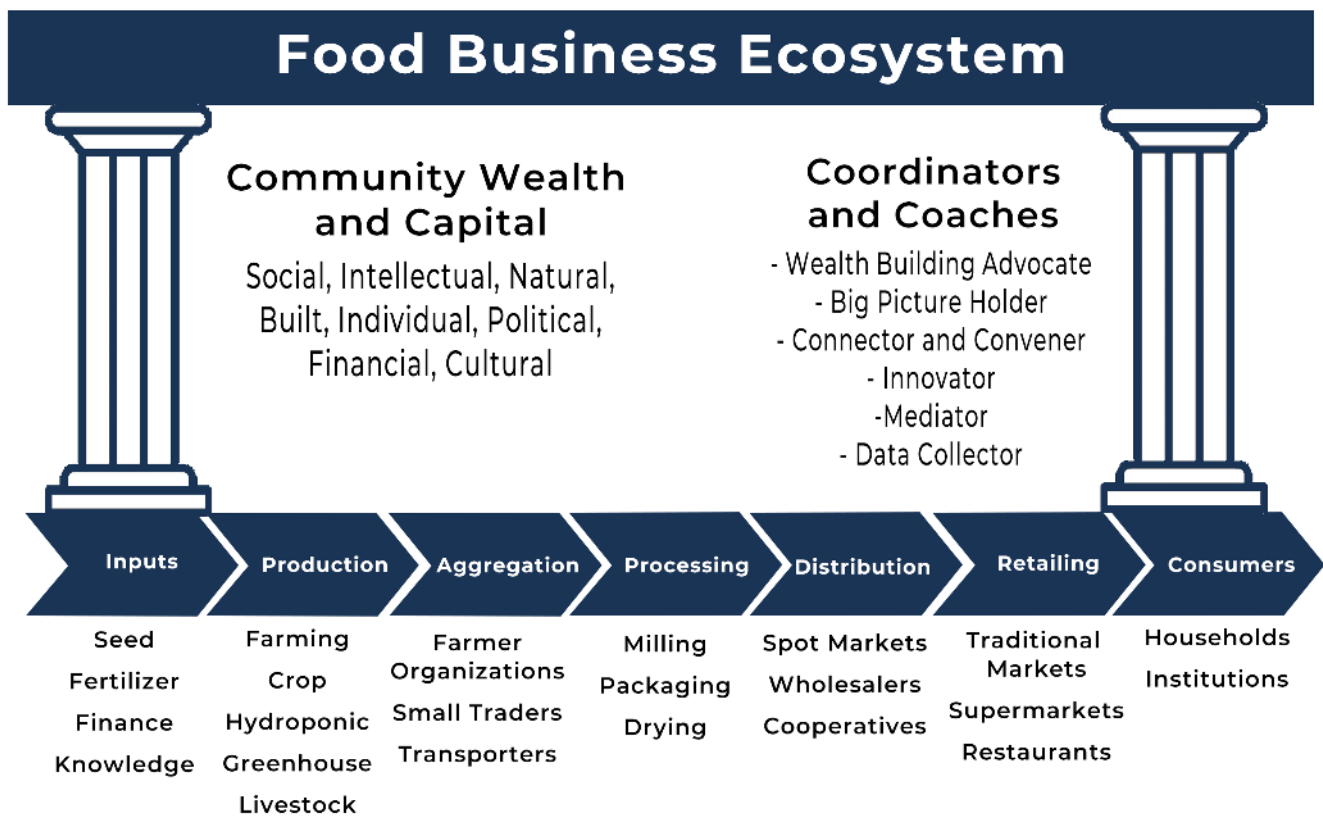
MMDC Economic Development: 2023 Highlights!

Regional Food Business Center

MMDC is now a partner member of the U.S. Department of Agriculture’s (USDA) North Central Regional Food Business Center (RFBC). In 2023, one of MMDC’s counterparts, the Region Five Development Commission (R5DC), was awarded \$15 Million to lead RFBC efforts across a three-state area (MN, ND, and SD) for a five-year period. To accomplish their goals, R5DC enlisted the help of 35 separate organizations, including MMDC, to deliver local services.

MMDC recognizes that agriculture is a bedrock industry for our region and so, through this opportunity, MMDC will support resilient farm and food practices. Specifically, we’ll focus on the continued development of our region’s critical food infrastructure by connecting producers, processors, aggregators, distributors, retailers, and other food businesses within our regional food supply chain. We’ll also provide broader navigation assistance to these businesses who may be less familiar with the agencies, programs, and other resources – especially financial resources – available to help them grow their operations and connect our region’s residents with local food products. In many ways this work can simply be thought of as business development with a food focus.

MMDC’s Regional Food Business Center efforts are led by Economic Developer Nate Reuss. Given his extensive experience in the agribusiness industry, his farm upbringing, and his economic development knowhow, Nate is perfectly suited for this work. Those with questions about MMDC’s Regional Food Business Center efforts can reach Nate at Nate.Reuss@mmdc.org or (320) 235-8504.



MMDC Economic Development: 2023 Highlights!

Connecting Entrepreneurial Communities Conference

MMDC is always looking for new and better ways to support economic development within our four-county region. This year, one highlight included sponsorship of and participation in the Connecting Entrepreneurial Communities Conference. Held in New London, this conference drew business leaders and allies from across the state. MMDC was thrilled to join the University of Minnesota Extension, Southwest Initiative Foundation, the

Kandiyohi County and City of Willmar EDC, and a host of other tremendous sponsors for this highly informative event!



Ignite Your Future 2023

In October, MMDC was honored to assist with the 2023 Ignite Your Future career exploration event on Ridgewater College's Hutchinson campus. This event brought over 900 area sophomores and gave them an opportunity to try a broad array of hands-on career-related activities. Thanks to terrific support from the region's business community, many students had a chance to operate heavy equipment simulators, build miniature trusses, design, weld, and machine. There were also activities provided for those interested in business, emergency response, healthcare, the arts, and more. MMDC participates in this event

because we understand the importance of retaining our aspiring workforce by showing them the abundance and variety of career opportunities that exist close to home!

To learn more, visit: <https://ridgewater.edu/admission-aid/visit-tour/igniteyourfuture/>

MMDC's Revolving Loan Fund: 2023 Highlights!

MMDC works with our region's entrepreneurs to ensure they have the opportunity to benefit from the technical assistance and financial resources necessary to turn their business dreams into realities. Along with providing in-house assistance, MMDC often refers our business clients to other talented collaborators, so they can benefit from additional expertise and resources. In our region, these collaborators include, but are not limited to, the Southwest Initiative Foundation, U.S. Small Business Administration, Minnesota's Small Business Development Centers, and a number of local Economic Development Commissions and Authorities. In 2023 MMDC provided the following businesses with financing to support their establishment and expansion goals:

Due North Car Wash

Located in Hutchinson, Due North is a new, fast, state-of-the-art and environmentally friendly car wash. MMDC is one of three finance partners for this project, which involved a multi-million dollar investment on what was a vacant corner lot in a high-traffic area. Due North employs nearly two dozen Hutchinson area residents!



Great Lakes Combatives

Located in Willmar, Great Lakes Combatives is a provider of martial arts training. Owned by Javier Valenzuela and Trevor Haney, who have nearly 30 years of combined combative participation and training experience, Great Lakes Combatives offerings include instruction in Judo, Jujitsu, and self-defense. Great Lakes Combatives is located in the Uptown Willmar Mall, one of several businesses working to revitalize this commercial property.



Mainstream Boutique

Mainstream Boutique is a passion project for Dawn Lippert and Rochelle Peterson, best friends since birth. This women’s clothing boutique occupies a space in a busy Willmar shopping area, along South First Street. Mainstream Boutique is a franchisee of a Minnesota-based retailer with stores in 24 states, “built to love, strengthen, and celebrate the women in our world through fashion.” MMDC is one of four finance partners involved with this project.

Max’s Grill and Sheep Shedde Inn

The Sheep Shedde and Max’s Grille, have long been fixtures of the Olivia community, providing quality dining experiences and one of Renville County’s only hotels. When their previous owners put the connected business up for sale to focus on a new venture, the area was in real danger of losing both amenities. MMDC was pleased to join two other finance partners to support new owners Khiyyam Fazal and Kasum Khan so they could purchase the business and ensure its continued operation, while employing dozens of locals!



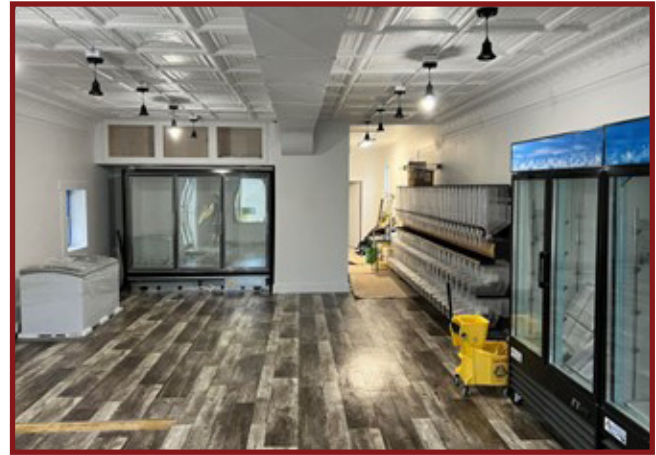
Mini Biff, LLC

Located just north of Hutchinson, Mini Biff is a portable toilet rental business owned and operated by John McGreavey. A difficult pandemic, which shut down and scaled back many events and festivals, coupled with a long 2022-2023 winter season, delayed business bookings for this important service in 2023. Unfortunately, Mini Biff’s former lending institution was unable to extend the credit necessary to keep things moving. MMDC was able to step in and provide the financing Mini Biff needed to get through this difficult patch and keep their 30-plus employees on the job.



New London Food Co-op

The New London Food Co-op is on a mission to bring a local, sustainable grocery option back to the community of New London. Their grocery store, which will open in 2024, has gathered the support of more than 100 contributing members who believe in the value of local food. The small store will specialize in local origin produce, including organic and other wholesome foods. MMDC, in collaboration with several other lenders, was able to assist them with the financing they needed to get things up and running. They now anticipate opening in early 2024!



Olivia Corncade

Realizing that people, and especially young people, need safe places for fun, Adam and Blanca Ferguson decided to open a new gaming arcade and party zone, in the heart of downtown Olivia. The Olivia Corncade now provides local residents, and especially local youth, with an opportunity to game and grab a slice of pizza, Nathan's hot dog, or some good old-fashioned ice cream. MMDC was proud to join local partners to help bring this new community amenity to life!

Paul's Tree Work, LLC

Owned and operated by U.S. Army Veteran Paul Swenson, Paul's Tree Work provides tree cutting services in and around northern Kandiyohi County. Swenson, a skilled tree cutter and carver, decided to apply these skills to a new full-time business, providing an important service to property owners. It's safe to say that his 2023 summer was a busy one! MMDC was joined by three other financing partners to support this new business, one we believe has potential to grow!



Pientka Investments, LLC

After retiring from his career in Alaska, where he worked as a commercial pilot, Joe Pientka returned to his hometown where he launched his new career as an entrepreneur. He started a small, drive-through coffee business next to Spicer's Green Lake Mall. After enjoying success, Pientka decided to purchase a former real estate office, and renovate it to support his expanding business portfolio. MMDC was one of two financing partners for this project.



Roelofs Meats, Inc

While some have always preferred it, fresh and local meat became a priority for many during the COVID-19 Pandemic. Travis Roelofs is helping to address that need through his purchase and operation of Roelofs Meats, a Raymond butcher shop. Roelofs does custom butchery, primarily focusing on beef and pork. They are equipped to slaughter, cut, wrap, freeze, and grind to customer specification. MMDC was able to join Roelofs' private financier and provide the gap financing needed to purchase the butcher shop property and equipment.

Minnesota Shrimp

In 2020, near the small community of Blomkest, Barbara Frank and Paul Damhof created Minnesota Shrimp. They saw a need for high quality shrimp stock and rose to the challenge of making it available right here in Central Minnesota. Through hard work and some trial and error, they're bringing this vision to fruition and just might turn the Shrimp Industry on its ear! MMDC was happy to work with Frank and Damhof, providing them with necessary working capital and giving them the resources to involve an industry expert who has already provided them with invaluable assistance and has moved their business goals considerably closer to reality!



39 Active Loans



Active Loan Balance of \$2,615,787.68



Nine New Loans in 2023



\$508,537.68 Loaned in 2023



To-Date, Funds Have Leveraged Additional Investments Totaling Over \$50,000,000!

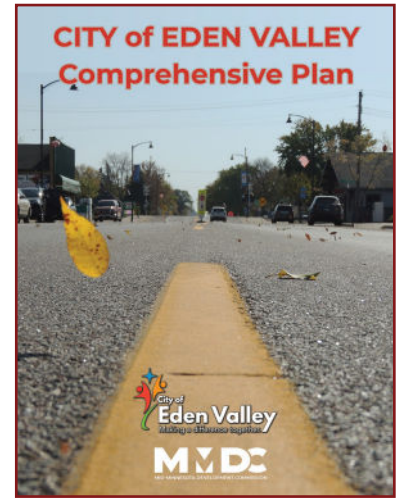
If you're interested in launching a business or expanding your current enterprise with the financial resources an MMDC business loan can provide, please contact MMDC Economic Developers Michelle Marotzke or Nate Reuss at (320) 235-8504. They'll be happy to discuss your idea, connect you with local resources and help you to complete a quality loan application!

MMDC Community Development: 2023 Highlights!

Planning

2023 saw the successful conclusion of several community focused planning projects. These included comprehensive plans for the Cities of Eden Valley and Spicer, as well as the McLeod County Parks Plan. To view these plans, each of which benefited from the dedication of their local steering groups as well as from abundant input from other local residents, please visit <https://mmrdc.org/publications/>.

Additional 2023 projects included continued Kandiyohi County Trails planning and the onset of work on the McLeod County Integrated Solid Waste Management Plan. Both of these plans are expected to come to fruition in early 2024. Not far behind, the Buffalo Lake Active Living Plan is expected to be ready for approval in the Spring of 2024. This plan will guide the Buffalo Lake community as they make infrastructure and other improvements that promote the healthy lifestyles of residents through walking, biking, and better access to the outdoors.



Is your community interested in promoting health and safety by developing an Active Living or Safe Routes to Schools Plan? Funds may be available to assist with a portion of planning service expense. Contact Transportation & Community Planner Mike Nicholas to learn more!

Preventing Fraud Victimization Among Our Seniors

This year gave MMDC the opportunity to work on projects that go beyond more standard economic and community development. One example of this is MMDC’s new Fraud Victimization Awareness Training. With financial and other assistance from our frequent partners at the Southwest Initiative Foundation, MMDC Economic Developer Michelle Marotzke began crafting a workshop to inform help seniors protect themselves and their loved ones from “scammers, swindlers, cheats, crooks, and other no-good, dirty, rotten people after their hard-earned money.” In addition to informing seniors, additional sessions will be held for those who work with senior populations in any capacity. Attendees will learn how to recognize “red flags”, how to express concern without embarrassing, and how to refer their customers,

consumers, or clients to helpful and potentially fortune-saving resources. Workshops will be held across MMDC’s region, beginning in the Spring of 2024. To learn more, visit <https://mmrdc.org/economic-development/fraud-awareness-training/>.

New Talent!



Mike Nicholas joined MMDC, as our new Transportation & Community Planner, in September. Since then he’s been assisting stakeholders, jumping into planning projects, and learning about all things MnDOT. Get in touch with Mike if you’d like to discuss a trail, roadway, or other transportation- or community-related planning project!

While not yet on board by the end of 2023, **Carol Lundgren** will also be joining MMDC in 2024, as our new Regional Development & Grant Specialist! Among other activities, Carol will provide no-cost assistance to those interested in pursuing clean energy grants made possible by the federal government. Interested in learning more? Be sure to reach out!



Clean Energy Grant Assistance

In December, after a number of months of hard work and uncertainty, MMDC was informed that our organization would receive a three-year, \$285,000 grant (\$95k per year) from the Minnesota Department of Commerce. MMDC's Local Grant Development Assistance Program is the result. Through this program, MMDC will be able to offer, at no-cost, grant writing services to regional entities found to be eligible for a variety of clean energy grants made possible as a result of the Infrastructure Investment and Jobs and Inflation Reduction Acts (IIJA and IRA). Additionally, MMDC will be able to connect eligible entities with Minnesota's Statewide Competitiveness fund, intended to assist these grant applicants with their required non-federal financial matches. Finally, MMDC will be able to assist with grant management, to ensure deliverables are met and related reporting, which can be onerous, meets funder expectations.

As soon as MMDC learned our Department of Commerce application was funded, we took action to craft a new regional development & grant specialist position. This position is an evolution of a more standard community planner role. While our new professional will have the opportunity to take part in various planning projects, grant-related activities (both writing and management) will likely occupy the bulk of their time. Initial work will include developing a catalogue of IIJA and IRA clean energy opportunities and then conducting outreach to inform those who may benefit, both of their potential grant eligibility and of MMDC's ability to help them apply.

MMDC's Mobility Management Success!

In addition to funding received to support the planning and prioritization of Southwest Minnesota's transportation infrastructure projects, MMDC receives Minnesota Department of Transportation (MnDOT) funding to improve the coordination of transportation services and reduce transportation gaps for non-drivers. While these include many of our older neighbors, they also include many with disabilities, youth, and others who choose not to or are unable to drive for one or more other reasons. Without transportation, these individuals are often left unable to work, attend school, participate in community activities, worship, socialize or even get to important medical appointments. They are also prevented from fully contributing their talents to the detriment of our communities.

Notable 2023 MMRTCC projects and achievements included work to improve transportation for seniors living in McLeod County. With funding from an AARP Community Challenge Grant, MMDC was able to distribute thousands of transit bus tokens to seniors and others with disabilities. We were also able to purchase an electric-assist tricycle for the Traditions residential community. Finally, MMDC was permitted to use grant resources to support the purchase of an electric-assist trishaw (pictured here) which will be used to get residents of the Ecumen Oaks and Pines Assisted Living Community out and about, with a dose of fresh air!

2023 also gave MMDC a chance to collaborate with Central Community Transit and pilot a fare-free transit opportunity for the residents of Willmar. With a generous grant from the Willmar Area Community Foundation, rides that began and ended at an established Willmar bus stop location were provided without fare during the months of July through December. The primary goal of this project was to improve mobility for Willmar's nondrivers, especially those of less financial means. However, this opportunity also served to support transit efficiencies and capacity. Many were motivated to walk to a bus stop rather than requesting curbside service in front of their residence or destination as a result of the fare savings. In total, over 2,700 rides were provided without fare. (cct bus pic and WACF logo)

To learn more about MMDC's transportation-focused efforts, or to see how you might contribute to the solution by becoming a volunteer or professional driver, contact Terry Smith at Terry.Smith@mmdc.org or (320) 894-1871.



2023



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