

**Mid-Minnesota Development Commission
Commission Meeting
MINUTES**

Wednesday, February 5, 2025, 6:00 p.m.

Ridgewater College, 2 Century Avenue SE, Room #247, Hutchinson, MN 55350

Members Present: Commissioners, Kevin Crowley, Tony Hausladen, Jon Hawkinson, Jill Hoff, Roger Imdieke, Gabra Lokken, José Luciano, Greg Mertens, Robert Moller, Shawn Mueske, Rollie Nissen, Sara Pollman, Reagan Quinn, Scott Refsland, Dave Sebesta, and Darren Sombke.

Members Absent: Commissioners Mike Brouwer, Todd Frank, Brent Guyan, Doug Krueger, Maureen Melgaard-Schneider, Kiza Olson, Yodee Rivera, Lorallen Schmeling, Carl Shuldes, and Berit Spors

Staff Present: Executive Director Eric Day, Finance Director Darla Bajari, Finance Assistant Nikki Johnson, Economic Developer Nate Reuss, Communications Specialist Ben Carlson, and Mobility Manager Terry Smith.

Staff Absent: Transportation & Community Planner Blake Barnard, Regional Development & Grant Specialist Carol Lundgren, and Economic Developer Mike Nicholas.

Guests: None

Call to Order: Chairperson Shawn Mueske called the meeting to order at approximately 6:00 p.m.

Pledge of Allegiance: The Pledge of Allegiance was recited by all Commissioners and staff in attendance, led by Chairperson Mueske.

Introductions: All present Commissioners and staff provided introductions.

Approval of Agenda: Chairperson Mueske presented the agenda and noted two additions, including:

- New Business J: RTCC Resolution
- New Business K: MnDOT Area Transportation Partnership Representative

Commissioner Rollie Nissen moved to approve the agenda with the two additions. Commissioner Robert Moller seconded the motion, which carried with no dissent.

Commissioner Robert Moller moved to approve the agenda, as amended. Commissioner Dave Sebesta seconded the motion, which carried with no dissent.

Approval of December 4, 2024, Full Commission Meeting Minutes: Commissioner and Commission Secretary Dave Sebesta made a motion to approve the December 4 Commission minutes, as presented. Commissioner Robert Moller seconded the motion, which carried with no dissent.

Treasurer's Report: Commissioner and Commission Treasurer Kevin Crowley provided an overview of the Treasurer's Report, which was contained within the meeting materials packet. He reported that, on November 21, 2024, MMDC started with a checkbook balance of \$3,381.20. MMDC had receipts of \$120,502.92 and expenditures of \$112,950.75. Commissioner Crowley reported an ending checkbook balance of \$10,933.37.

Treasurer Crowley then made a motion to approve MMDC Treasurer's report, as presented. Commissioner Dave Sebesta seconded this motion, which carried with no dissent.

Consent Agenda: The meeting materials packet contained minutes from the following recent meetings for the consent agenda:

- A. MMDC Legacy Revolving Loan Fund Loan Approval Board: December 11, 2024
- B. MMDC Executive Committee: December 18, 2024
- C. MMRTCC Subcommittee: December 31, 2024, and January 28, 2025

Chairperson Mueske provided an opportunity for questions and comments on the Consent Agenda items. With no questions, Commissioner Kevin Crowley made a motion to approve the Consent Agenda. Commissioner Robert Moller seconded the motion, which carried without dissent.

Correspondence and Announcements: Day shared information on a Center for a Rural Policy and Development webinar, which will occur on February 5, from 1:00 – 2:30 p.m. This webinar will explore

important topics including the rural workforce and population shifts, mental health, and elder care. Pre-registration is required for attendance. Day informed that Commissioners could register by visiting ruralmn.org and then clicking on their events page. Day also circulated a brief description of the event.

Commissioner Tony Hausladen inquired as to if there would be a slide deck or other document from the presentation that Day could share. Day informed that the Center for Rural Policy Development typically makes recordings of their events available. He will share that once it is available, along with any provided slide decks, etc. Commissioner Roger Imdieke confirmed that the events are typically recorded, noting that he had only recently viewed one of their last recordings.

Day also shared information on the MMDC Region's current unemployment situation. Day reported regional unemployment is slightly lower within the region than it is for the state as a whole. It is also a good deal lower than the rate for the nation as a whole. Day circulated information for Commissioner's information. He noted his belief that the MMDC region still needs to find ways to attract quality workers and retain the talent we have. He also added his belief that one key to this will be ensuring adequate housing, childcare, broadband, and leisure activities and spaces for workers.

Staff Reports: Chairperson Mueske pointed out the staff reports that were included within the meeting materials packet and provided an opportunity for Commissioners to ask questions. Chairperson Mueske also noted his belief that these reports are the best portion of the meeting materials packet to read to ensure Commissioners have a good understanding of what staff are working on.

Old Business: Day reminded the Commission, and informed new Commissioners that the December 4 Commission meeting included a first look at the MMDC Commissioner Position Description Draft, which was requested at MMDC's September Commission meeting. He informed that he had incorporated the input received on December 4 and included that input in the draft that was included with this meeting's materials packet. He noted that this was the same version sent to all Commissioners via email on December 24. Day then requested additional suggestions for revision or, in the event the Commission thought it was ready, requested a motion to approve the document.

Commissioner Roger Imdieke made a motion to approve the Commissioner Position Description, as presented. Commissioner Dave Sebesta seconded this motion. To open discussion, Chairperson Mueske noted his belief that all of the discussion that was held during the December 4 Commission meeting was captured in the revision. Commissioner Tony Hausladen inquired as to if all Commissioners would be required to sign the document in order to continue participation as an MMDC Commissioner. Day said that this would be up to the Commission. Commissioner Hausladen then asked if Day was saying the Commission could then potentially discriminate against those who didn't want to sign the document. Day reiterated that this was a decision that could not be made by Day, and that it would be up to the Commission. Commissioner Robert Moller inquired as to why a Commissioner wouldn't want to sign the document. Commissioner Hausladen stated that a Commissioner may not agree with everything contained within the document.

Commissioner Hausladen asked for verification that Commissioners have never had a position description before. Day confirmed this and said this new document was prepared at the request of the Commission. Commissioner Reagan Quinn reminded that the suggestion stemmed from the results of the annual Commissioner survey, which was conducted in 2024, and the desire for more direction and understanding.

Commissioner Roger Imdieke inquired if it would be more palatable if the signature line was changed from the existing "I understand that Mid-Minnesota Development Commission may request or seek a replacement representative if I am unable/unwilling to fulfill the position description expectations. Membership of the Commission is contingent upon signing of this commitment agreement" to a simpler "I acknowledge that I have read and understand this MMDC Commissioner position description." Chairperson Mueske noted that he has seen this more commonly done. Commissioner Hausladen said that this would satisfy his concern, noting that he had never seen an instance where someone had to sign their position description.

Commissioner Roger Imdieke then moved to amend his own motion, to provide a simpler acknowledgment of having read and understand the position description. This motion to amend was seconded by Commissioner José Luciano. Chairperson Mueske then opened discussion on that motion. Commissioner Pollmann then noted that it would be best to remove more of that section, as some of the other verbiage may be in conflict with a simple acknowledgment, vs. a commitment.

Day stated that, if it pleased the group, he would be happy to take the position description back for further revision and then present it again at the April Commission meeting.

Commissioner Imdieke then withdrew his motion to amend, as did Commissioner Luciano.

Commissioner Pollmann asked if the Commission wants a commitment from each Commissioner. She inquired as to if the position description was developed because there were Commissioners who were not following Commission norms. Chairperson Mueske informed that the latest revisions to the position description were made to address concerns that Commissioners would not feel free to publicly express their dissent of actions taken by the Commission. He then suggested that the term "commitment" may not be appropriate but opened the floor to other opinions on the matter.

Day asked Commissioners to make him aware if there were items contained within the document that were disagreeable so that he could fix those issues and make the document something with which Commissioners were comfortable. He reminded that this is the Commissioners' document and that he wanted to get it right for them.

Commissioner Quinn noted that the original purpose of the document was to help Commissioners, including new Commissioners identify what their role was. Commissioner Quinn also noted that, at her place of employment, all staff sign their position description.

Commissioner Hausladen suggested that the final two sentences of the position description should be removed ("I understand that Mid-Minnesota Development Commission may request or seek a replacement representative if I am unable/unwilling to fulfill the position description expectations. Membership of the Commission is contingent upon signing of this commitment agreement"). He noted that, as people are appointed to Commissioner roles, they may not be well-aligned with the Commission and this may give the Commission cause to reject them.

Commissioner Jon Hawkinson then pointed to General Responsibility #15, within the position description, which gives Commissioners latitude to respectfully disagree with Commission decisions. Day agreed that this was the most significant adjustment since the original presentation of the position description. Commissioner Hawkinson said that this adjustment provides a good deal of freedom. Commissioner Mueske said that the final statement could be seen as being in conflict.

Commissioner Roger Imdieke then withdrew his original motion and Commissioner Dave Sebesta withdrew his second to that motion.

Commissioner Scott Refsland asked for clarification of what would be struck out. Day shared his understanding that the phrase "I understand that Mid-Minnesota Development Commission may request or seek a replacement representative if I am unable/unwilling to fulfill the position description expectations. Membership of the Commission is contingent upon signing of this commitment agreement" would be removed and replaced with "I acknowledge that I have read and understand this position description." Day said that he was happy to make those adjustments and said that he would, as he had done on December 24, send it to all Commissioners via email so they could provide suggested edits prior to the April Commission meeting, where the discussion will once again be noted under Old Business.

Commissioner Robert Moller stated that the desire for the position description was, in part, because of the number of newer Commissioners involved on the Commission, in an effort to promote understanding. Commissioner Kevin Crowley added that the Commission is run by majority rule. He added that, when a motion doesn't go a Commissioner's way, they shouldn't be upset by the process. Commissioner Crowley noted that he took the "unable/unwilling to fulfill the position description expectations" language as largely referring to meeting attendance and participation. Day added that there was nothing in the signature portion of the document that would void item #15, which protects Commissioners' right to respectfully disagree.

Commissioner Hawkinson inquired as to if the majority of Commissioners could terminate an individual Commissioner's position on the Commission. Day clarified that elected Commissioners are present at the behest of the body they represent. He added that public interest members are approved by the Commission on an annual basis.

New Business – Action Items & Commission Business:

Further Introduction of New Commission Members: Day noted that Commissioner Todd Frank, one of MMDC's two new School Board-representing Commissioners, was unable to attend this meeting due to a previously scheduled business trip. Day informed that Dr. Frank chairs the BOLD school board and works as a Corn Breeder at Beck's Superior Hybrids in Olivia, where he lives with his family. Commissioner Frank will have the opportunity to introduce himself further at the April Commission meeting.

Day then asked each of the new Commissioners present at the meeting to tell the Commission a little more about themselves, including information on any personal, professional, or public service experience they cared to share.

- **Commissioner Gabra Lokken:** Informed that she is the newly-elected Mayor of Grove City, after three years of service as a City Council Member. She works as a full-time business education teacher and work-based learning coordinator for BlueSky online school. She works remotely and teaches business to students in grades 6-12. She has lived in several MMDC Communities, including Hutchinson (16 yrs) and Dassel (7 yrs.). She also grew up in Litchfield and now resides in Grove City.
- **Commissioner Greg Mertens** informed that he is a newly-elected Renville County Commissioner. He grew up and farmed in Redwood County but moved to Renville County in 2001, when he took employment with Hawk Creek Mutual, as an inspector and now a full-time insurance adjuster. He and his wife raised a family in Renville County and his wife owns a local business. He has three adult children as well as a couple of grandchildren.
- **Commissioner Sara Pollmann** informed that she is a second-term school board member for the Hutchinson district. She is married to a local physician, and this has given her the ability to work as a stay-at-home mom. As just one of her four children still lives at home, she has more recently had the opportunity to focus on community/volunteer-focused activities, including the school board, her church, and, more recently, a refugee welcoming-focused group in Willmar. Commissioner Pollmann informed that she grew up in a much larger community, Racine, WI, between Milwaukee and Chicago, which has a different feel than a place like Hutchinson.
- **Commissioner Darren Sombke** informed that he lives in Dassel, where he moved, along with his wife, in 2017. He grew up in a small South Dakota Community, of similar size. His civic involvement began with participation on Dassel's Historical Preservation Committee. He was then appointed to the Dassel City Council. He decided to run for County Commissioner in 2024, after uncertainty that anyone else would file. Sombke and his wife have four adult children, including a son who recently graduated from Ridgewater's electrician program but is struggling to find a job, despite numerous applications (difficulty finding an electrician willing and able to take on an apprentice). His two oldest children live in Wisconsin and his other child lives in Chicago, where she works as a nurse. He added, on a light note, that this daughter is also participating as a contestant on this season of the Bachelor.

Commission Vacancy/Recruiting Update: Day shared that Commissioner Mike Brouwer, who represents Kandiyohi County's Townships, informed him that, due to understandable work-related conflicts, he is unable to continue in an MMDC Commissioner role. Day has identified a Township Board member who serves in Kandiyohi County. Mike Kutzke serves as Chair of the East Lake Lillian Township Board and has agreed to participate, pending confirmation from the Kandiyohi County Township Board Chairs. Day expects this confirmation process to be complete on February 21. Day reminded that Kutzke spoke to those who could attend, prior to our June 2024 Commission meeting, on the topic of Artificial Intelligence.

Day informed that Mr. Kutzke will not be able to attend the Commission's April meeting but does plan to attend during the remaining 2025 meetings.

Day shared that, in addition to his Township Board role, Mike is Ridgewater College's Vice President of Student Success. He grew up in our region and has a background in public speaking, law enforcement, and teaching. While he is employed by Ridgewater, Day clarified that Kutzke is not MMDC's Ridgewater-representing Commissioner, as that seat is occupied by Chairperson Mueske. So, while Kutzke may be able to offer additional Ridgewater insights, he will participate to represent Kandiyohi County's Townships.

Additionally, Day informed that, while he's prioritized the refill of MMDC's elected Commissioners, he is also working to find an individual to represent the Information Technology Sector in the Public Interest.

Aging Related Information/Update: While she was not present at this meeting, Day read a report provided by Commissioner Maureen Melgaard-Schneider prior to the meeting, as follows:

LEGISLATIVE TASK FORCE ON AGING – The due date for the Task Force's Final Report was January 15, 2025. The Legislative Coordinating Commission (LCC) Executive Director has been communicating with House and Senate Counsel. The advice is that given the flux of the Legislature currently and the lack of set committee assignments, etc., it is best to wait to submit the Final Report until things are finalized with the House.

2025 LEGISLATIVE SESSION – Current as of Monday, February 3, 2025

- **Senate:**

- Doron Clark (DFL) won the senate special election last Tuesday, which will shift the balance back to a 34-33 majority for the DFL. He was sworn in on Monday, February 3.

- **House:**

- The MN Supreme Court ruled last Friday that 68 members are required to meet quorum.
- The stalemate between DFL and GOP leadership continued last week, quorum has not been met, and they still had not officially begun session.

- Sharing links below to legislative websites for those interested in tracking:

- **MN Legislature's webpage:** <https://www.leg.mn.gov/>
- **Senate YouTube channel:** https://www.youtube.com/channel/UCWzzi_90dqxz5pB-FJVSplg
- **House YouTube channel:** <https://www.youtube.com/user/MNHouseInfo/featured>

- **Other Aging-Related Items –**

Alcohol-related deaths nearly doubled in the past two decades with levels particularly high among older Americans, rising from 15.9 to 27.1 deaths per 100,000 for 65- to 74-year-olds.

Chronic Pain is surging among the older population according to the Centers for Disease Control and Prevention (CDC). 36% of those 65 and older reported chronic pain in 2023. It is important to note that 86% of health care costs are attributable to chronic disease.

Munchies and Snack Foods: The easing of marijuana laws in some states is resulting in expanded waistlines due to pot-related cravings. Spending on cookies is up 17.5%, snacks foods 13%, and candy 8.5%.

Items of interest from Other Elected or Public Interest-Representing Commissioners: Chairperson Mueske invited any Commissioner to share any item of interest with the group.

Commissioner Jon Hawkinson informed that the City of Olivia is entering into an agreement with the State of Minnesota to purchase the local armory, which will be repurposed into a community center. Commissioner Hawkinson noted that he would be interested in speaking with any commissioner that had experience with this sort of building conversion.

Commissioner Roger Imdieke informed that he attended a broadband-related meeting this week. He said the Broadband Equity, Access, and Deployment (BEAD) Program, which has been deployed by the federal government to expand broadband access, provided Minnesota with \$652 Million. This week he learned that those areas served by fixed-base wireless broadband (fiber optic connection to a tower, which provides the ability to access broadband service if you have a clear line of site to that tower, with speeds of up to 100 mbps download and up to 20 mbps upload) are going to be considered "served" and not eligible for BEAD dollars. This is problematic because there may be households or businesses within the umbrella of a tower that cannot access high speed service due to a lack of a "clear line of site." Counties may need to use their own dollars to adequately serve those locations, at great expense. He later added that it might be possible to tap into dollars from the State Legislature if they were to be made available.

Commissioner Rollie Nissen mentioned that Starlink may help those who are unable to gain a high-speed connection by other means.

Commissioner Nissen then informed that the Highway 23 Coalition continues to seek funding for the four-lane expansion of MN State Hwy 23. Commissioner Nissen reported having discussion with Congressman Tom Emmer, who told Nissen that he believes funding for the project will be included with congressional directed funds (also known as earmarks). Nissen reported that Emmer told him that he thought this allocation may occur by the end of March. The major areas of focus are north and east of St. Cloud and in the Marshall area. The Coalition is working to get studies done on these areas. However, he noted that he thought a two-mile section on the south side of Willmar, just west of U.S. Hwy 71, will be expanded to four lanes later this year. A detour has been approved.

Commissioner Tony Hausladen inquired, with regard to the broadband issue, what the benchmark is that determines “served” vs. “underserved”. Commissioner Imdieke informed that his understanding is that, in 2026 Minnesota’s definition of “served” will be 100 mbps download speed and 20 mbps upload.

U.S. EDA Reauthorization: Day pointed to a press release issued by the U.S. Economic Development Administration, celebrating its reauthorization. This occurred with bipartisan support in December and was signed into law in early January. Day informed that this reauthorization will allow the EDA to continue its work by providing grants and support to communities across the country.

Day anticipates that reauthorization will come with an overdue adjustment to the EDA’s grant criteria, especially for grants related to community infrastructure projects. Staff are already aware that the base rate for EDA grants will be climbing from 50% to 60%, reducing local match requirement from 50% to 40%. We expect the required match will then be reduced for our EDA Partnership Planning grant as well. At this time, Day said that he had no indication that there will be an increase in EDA grant funds for partnership planning, but this may be because the agency doesn’t have their budget yet (has been operating under a continuing resolution). He added that there is still some hope that MMDC’s level of funding will increase, as it’s been flat at \$70,000 per year for quite some time.

Day is also hopeful that the EDA will re-examine grant applicant eligibility, as current criteria make it difficult for the MMDC Region’s stakeholders to show adequate distress when applying for infrastructure grants. In most of our region MMDC’s communities simply don’t meet the current distress criteria used for most EDA grant applications. Typical criteria for Public Works Employment Adjustment Assistance grants include an unemployment rate that is at least one percentage point greater than the national average or per capita income that is 80 percent or less than the national average.

Day added that staff are aware a new Notice of Funding Opportunity (NOFO) should be coming out soon for a Disaster Grant. This grant would assist with projects in counties affected by flooding in 2024. These counties include both McLeod and Renville. A webinar on this opportunity has been scheduled and a recording of that webinar will be shared with cities, counties, and others who cannot be in attendance. Economic Developer Nate Reuss added that funding eligibility is not contingent upon attendance at this webinar. Day said that staff would share the NOFO with Commissioners when it is available.

Commissioner Imdieke noted that Kandiyohi County was awarded a \$4.8 million grant from the federal government (though not the U.S. EDA) for a bridge on the southwest side of Willmar. He said that county staff have been advised not to let any bids or make any financial commitments until the grant money is in-hand. Commissioner Imdieke is encouraging his County Board colleges to support a similar strategy with county staff, with regard to hiring positions that would be funded with federal dollars, etc.

Revolving Loan Fund Update: MMDC Economic Developer Nate Reuss pointed to written information included with the meeting materials packet. He informed that MMDC now has money to lend. This is a departure from 2024, when most of the money was lent. Approximately \$300,000 is now available to loan to qualified and approved borrowers. Staff are letting lending partners and others know that funds are again available.

Day added that an updated RLF Flyer was included in the meeting packet. The only changes to this rendition of the flyer are the removal of language that doesn’t align with the priorities of the Trump administration. Specifically, staff have removed the phrase “People of color, people with disabilities, women, LGBTQ individuals, U.S. Armed Services veterans, and others are encouraged to apply” and replaced it with “Business owners from all walks of life are encouraged to apply.” Staff have also removed

the phrase “MMDC is an Equal Opportunity Lender.” Day explained that these adjustments were made in anticipation of new directives from the U.S. EDA.

Day said that he anticipates that MMDC’s revolving loan fund plans will also need to be updated, as the prioritization of disadvantaged populations, including women, veterans, people with disabilities, and people of color, was previously required and will now likely be prohibited by the new Administration.

Day encouraged all Commissioners who know of entrepreneurs in need of gap financing to reach out. Loan terms are shared in the flyer. Day pointed out that a fair number of MMDC’s loans came to fruition after a Commissioner connected a business to MMDC’s economic development staff.

Available RLF Dollars Held in Minnesota Association of Governments Investing for Counties (MAGIC) Fund Until Needed: Day shared that most of MMDC’s available RLF dollars are currently placed in MMDC’s MAGIC account, which provides good access to the money and allows MMDC to earn reasonably good interest while staff identify appropriate borrowers. Day added that, at last check, the interest rate of the MAGIC fund was 4.44%, as opposed to MMDC’s regular savings rate of 0.05%. Commissioner Robert Moller asked that staff include current interest rates within the future Treasurer’s Reports. Day said that staff could do this.

Executive Committee Election: Nominating Committee Chair Robert Moller reminded the Commission that Commissioner Tom McDonnell has now left the Commission due to his relocation and that the Commissioner At-Large seat which he occupied on the Executive Committee would need to be refilled. While two Commissioners were initially interested, one has withdrawn their name. The remaining Commissioner who has expressed interest is Commissioner Berit Spors. Like McDonnell, Commissioner Spors is a public interest-serving Commissioner, so the balance of elected to non-elected will remain unchanged (the five-person Executive Committee must have at least three elected Commissioners).

With that, Nominating Chair Moller called three times for any other nominations. Hearing none, he motioned for Commissioner Berit Spors to serve on MMDC’s Executive Committee as MMDC’s Commissioner At-Large. Commissioner Rollie Nissen seconded this motion, which carried with no dissent.

Executive Orders and Their Impacts: Day shared that the temporary freeze on federal grants and loans could have had a major impact MMDC’s work and/or budgets. This could have included delayed reimbursements or, potentially, cancellation of grants tied to the Congressionally-approved Infrastructure Investment and Jobs Act and possibly more. Day reminded that the President’s directive was later rescinded. However, Day added that he won’t be surprised to see new directives from MMDC’s funding agencies and it’s possible that some of the current and anticipated grant opportunities will need to be revised to remove language that prioritizes renewable energy or disadvantaged communities.

As a federal contractor, Day said that MMDC may also need to reexamine future position advertisements to ensure the organization is in-line with changing Equal Opportunity Employment rules. Day stated that, as he understands it, MMDC will still be able to list that we are an Equal Opportunity Employer. However, there will be nothing prohibiting contractors from taking race, gender, and other protected criteria into account. Day then stated that he sincerely hopes MMDC will not have to change hiring practices. However, he will be watching for direction from our funders.

Day then provided an overview of the Equal Employment Opportunity executive order, which was signed into law by President Richard Nixon. This order prohibited discrimination by federal contractors, based on factors like race, color, religion, sex, age, disability, and national origin. It protected against unfair treatment, harassment, and retaliation. It also required employers to provide reasonable workplace accommodations necessary for disability, religious practices, and pregnancy. The order was largely considered a bedrock of civil rights protection for American workers.

Day said that he is doing his best to stay on top of the new executive orders and memos as they’re released, so we can assess their potential impacts. Right now, one of his biggest concerns, at least on the domestic front, is that there are going to be federal staffing issues that delay reimbursements. MMDC can weather that to some extent, as reserves are in place for this reason. Day said that he is more concerned about small nonprofits who contract to do work on behalf of the federal government. Also hospitals, clinics, nursing homes, and other care facilities who rely on timely Medicare and Medicaid reimbursements, as some of these facilities simply don’t have the reserves to make it very long without payment.

RTCC Grant Resolution: For the benefit of our new Commissioners and as a refresher for all, Day reminded that MMDC works to reduce transportation gaps for our region's non-drivers, including older individuals and individuals with disabilities, under a recurring grant agreement with MnDOT. That program is called the Regional Transportation Coordinating Council Grant. To date, MMDC's work has included:

- Public outreach and education,
- Establishment of a Transportation Advisory Council, which includes providers, consumers, and human service professionals,
- Volunteer and professional driver recruitment assistance, and
- Other technical assistance to our region's participating transportation providers
- MMDC has also worked on some special projects. The most recent example was the fare-free Willmar City bus route, which was made possible thanks to good collaboration with Central Community Transit and with additional funding from the Willmar Area Community Foundation.

In addition to the Transportation Advisory Council, MMDC has an RTCC Subcommittee to guide RTCC work. Members of this group include:

- Commissioner Jill Hoff
- Commissioner José Luciano
- Commissioner Maureen Melgaard-Schneider
- Commissioner Rollie Nissen
- Commissioner Dave Sebesta, and
- Commissioner Berit Spors

Every year or two, MnDOT invites MMDC to reapply for funds and, this Monday they released the application for Fiscal Year 2026. 80% of the funding for this program comes from the federal government, via their 5310 program which is intended to improve transportation primarily for older individuals and individuals with disabilities. MMDC is required to kick in the remaining 10% match.

This grant covers 100% of MMDC Mobility Manager Terry Smith's time, about 20% of Day's time, as well as a piece of Finance Director Darla Bajari's time and Communication Specialist Ben Carlson's time. Therefore, MMDC does well, financially speaking, on this 10% investment.

Part of the grant submission requirement is that MMDC provide a resolution, showing MMDC's intent to provide the required 10% match. Day informed that he has prepared such a resolution, which was provided to all Commissioners on February 4, via email. Day also noted that it was provided with meeting materials at this evening's meeting, in paper form.

Day then said that, unless the Commission moved to suspend the reading of the resolution, he would read it aloud, as is MMDC's prescribed practice. He said that he would then request a motion for resolution approval.

Day added that staff haven't had time to assemble the application at this point, so final budget numbers are unavailable. However, the Commission doesn't have another meeting scheduled between now and the application's April 10 due date. Therefore, Day indicated that he would like to move forward within the budgetary parameters that have been included within the resolution.

Day expressed his belief that MMDC is doing good work in this area, and we are seen as one of the State's RTCC leaders. Current efforts include working with a Hutchinson-based nonprofit to reestablish a volunteer driving program to serve McLeod County. Mobility Manager Terry Smith has also recently been elected chair of Central Community Transit's Operations board, which means he will have a greater ability to influence changes that will improve their transit and volunteer driver service.

Commissioner Jon Hawkinson moved to suspend the reading of the prepared resolution. Commissioner Robert Moller seconded this motion, which carried with no dissent.

Commissioner Sara Pollmann requested clarification that this is a recurring grant and that the 10% local match required has not changed. Day said that this is correct and that, as the final grant budget hasn't been developed, he capped MMDC's local match at \$35,000 within the resolution, though he added that he expected the actual match to be closer to \$25,000.

Commissioner Robert Moller moved to adopt the RTCC Grant Resolution, as presented. Commissioner Kevin Crowley seconded the motion, which carried without dissent by roll call vote.

The resolution reads as follows:

RESOLUTION

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

WHEREAS the goal of the RTCCs is to improve the mobility of "transportation disadvantaged" individuals, including and especially older individuals (i.e., individuals ages 65 and older) and individuals with disabilities, by improving coordination among transit providers, private sector transportation providers, and other service agents, and adding or enhancing services to reduce transportation gaps; and

WHEREAS Mid-Minnesota Development Commission is currently administering RTCC Program work; and

WHEREAS sustained RTCC Grant funding will allow for the continued advancement of Mid-Minnesota Development Commission's transportation access-related work; and

WHEREAS the local financial match will remain at no less than ten (10) percent for the 2026 Fiscal/Program Year of the RTCC Implementation Grant.

NOW THEREFORE BE IT RESOLVED that Mid-Minnesota Development Commission authorizes staff to submit RTCC Grant documents needed to secure continued financial assistance and to subsequently execute a grant agreement for Fiscal/Program Year 2026, with the State of Minnesota's Department of Transportation (MnDOT), for continued implementation of Regional Transportation Coordinating Council (RTCC) Grant activities.

BE IT FURTHER RESOLVED that Mid-Minnesota Development Commission is committed to providing the necessary non-federal share of project dollars necessary to fund RTCC grant project expenses during Fiscal/Program Year 2026. This commitment is for no less than ten (10) percent of the total cost to the project during this one-year grant period, and no more than \$35,000. 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 Mid-Minnesota Development Commission authorizes the Executive Director and/or Board Chairperson, or Vice or Acting Chairperson, in the Board Chairperson's absence, to execute the aforementioned grant agreement with MnDOT Office of Transit and Active Transportation (OTAT) and any amendments thereto.

Attest:

Chairperson/Acting Chairperson Date

Executive Director Date

Area Transportation Partnership Representation: Day informed that area Transportation Partnerships were developed by MnDOT to emphasize greater public involvement and enhance regional transportation infrastructure planning. ATP's involve Commissioners from the regional development commissions, as well as MnDOT and regional development commission staff and some of the county or city public works professionals.

Participation in the ATP is a condition of MMDC's MnDOT Transportation Planning Grant. MMDC is part of MnDOT District 8's ATP, which serves most of southwest Minnesota. MMDC is asked to send two Commissioner representatives, and they dictate that these representatives must be County Board members, Mayors, or City Councilors. Commissioner Doug Krueger sits on the ATP for MMDC, as did former Commissioner Doug Erickson. As Commissioner Erickson is no longer on the Commission, MMDC must replace him.

Meetings occur about six times per year and are typically scheduled to occur on Fridays, from 10:00 until noon, though they often finish early. The physical location has rotated between the MnDOT offices in Willmar and Marshall, though there is always a virtual option for this meeting.

Commissioners who attend do receive their MMDC per diem, as well as mileage for any in-person meetings. Day asked if there were any qualifying volunteers interested in joining Commissioner Krueger on the Area Transportation Partnership and said that he would then ask for a motion to approve that volunteer.

Commissioner Roger Imdieke stated that he would be interested but would also be willing to defer if there were other County Commissioners, Mayors, or City Councilors who would like to participate.

Commissioner Rollie Nissen, who served as a member of the ATP when he was a Kandiyohi County Commissioner, said that the group discusses a wide variety of transportation items for the district. He noted that these meetings were well-worth his time.

As no other Commissioners expressed interest, Commissioner Jon Hawkinson moved to appoint Commissioner Roger Imdieke to the MnDOT District 8 ATP to represent the Commission. Commissioner Tony Hausladen seconded the motion, which carried with no dissent, after additional comment from Commissioner Imdieke, who explained that he currently serves on the Transportation Policy Committee, as Chair, for the Association of Minnesota Counties, and has an existing working relationship with MnDOT staff.

Day will inform Commissioner Imdieke of upcoming meeting dates (March and April) and will ask that he be added to MnDOT's ATP membership list for further updates.

Commission Discussion Topic: Chairperson Shawn Mueske introduced the conversation topic of housing and Day pointed Commissioner to provided materials that were intended to stimulate conversation. These include a document from the League of Minnesota Cities titled 25 Tools for Housing Affordability and Developer Assistance, as well as housing related census information, information from the Minnesota Realtors Association, and a glossary of common housing terms.

Conversation highlights included:

- Commissioner Robert Moller noted that housing availability and expense affects employers' ability to recruit, and cited the difficulty the New London-Spicer School district has had in recruiting teachers for this reason.
- Commissioner Roger Imdieke noted a recent conversation with a developer, who informed him that he was pausing the development of additional apartment buildings due to slowing demand and a perceived overbuilt Willmar market. He added that the biggest weakness seems to be in the first-time buyer market.
- Day shared the typical definition of Affordable Housing – generally, housing that costs less than 30% of a household's gross income, including insurance, taxes, and utilities.
- Day noted that the relatively modest home next door to his own, is currently on the market for \$249,000 in Litchfield, which prices out many of the professionals Litchfield would like to draw to town (teachers, nurses, etc.).
- Day noted that he, and many buyers, would appreciate the opportunity to purchase smaller properties that require less upkeep.
- Commissioner Rollie Nissen noted that the price of street assessments can dramatically increase a household's housing costs.

- Commissioner Imdieke stated that the market may be starting to take care of the inflated housing cost problem, but agreed that it would take longer for prices to level out or decrease in some popular areas, including the New London-Spicer area.
- Commissioner Mueske noted that his son just purchased a home in Willmar and had to pay over asking-price for a home in his price range (starter-home). He also added that these homes were effectively pending before they were advertised for sale.
- Commissioner Sara Pollmann noted that care facilities don't have the staff to open all of their rooms to those who would benefit from that type of living environment. This may slow housing turnover.
- Day noted that University of Minnesota Extension Professional Ben Winchester has noted that many people want to "age in place" but has said that this doesn't necessarily mean aging in the same building as much as it does staying in the same community, and that many older adults may prefer to downsize and move into a lower maintenance, smaller dwelling.
- Commissioner Jon Hawkinson agreed that there are people who would like to downsize, however the cost of construction is, in some cases, currently so high that they would end up with a much smaller property for the same money as their nice older existing homes. He added that the cost to construct a patio home in Olivia could be \$250k-\$300k.
- Commissioner Kevin Crowley mentioned that the City of Pennock has about 15 lots available. These lots were developed by the City in 2009 at an expense of about \$29,000 each. They're now being offered for \$5,000, but they have not been able to attract development due to the cost of construction.
- Day inquired as to if there are any municipalities who have considered acting as general contractors and building homes themselves, covering their expenses, including time, but eliminating the need for profit. Commissioner Crowley mentioned that this had been discussed in Pennock but there is fear that the City would not recover their money and this would use a large chunk of their reserves.
- Commissioner Jon Hawkinson said that the City of Olivia is looking at zoning a new development to allow for four-plex buildings and more of a mixed housing environment in one neighborhood of focus.
- Commissioner Darren Sombke encouraged Commissioners to look further down the road and to consider whether there will be a glut on the housing market as more baby-boomers pass away.
- Commissioner Hawkinson noted that there are some properties currently occupied by older residents who are allowing their homes to deteriorate, reducing the quality of housing stock. The City of Olivia is currently trying to develop some revitalization programs (e.g. "fixer-upper grants") to combat this but has yet to determine how they can ensure their dollars are well-used and that the homeowners are living up to their commitments. Commissioner Sara Pollmann informed that the City of Hutchinson had a similar matching grant program for downtown businesses, and that this seemed to be effective. Recipients would bring a receipt showing that the building owner had paid their share before the City would kick in their share.
- Day shared the concept of pocket neighborhoods and bungalow courts, which include more compact dwellings with shared green spaces. This strategy can be used by communities to increase density and reduce infrastructure costs. Commissioner Imdieke shared that the culture in this area hasn't bought into that. Day noted that this might be generational, and that younger buyers may be more interested in smaller spaces. Commissioner Sara Pollmann agreed, noting that her young adult children would rather have fewer things and a smaller home, in favor of spending more of their time and energy on experiences. Commissioner Pollmann also noted that many young people do want to live in places where pets are allowed. This includes those who keep pets to reduce anxiety. Commissioner Imdieke expressed his agreement that this is true for many younger people. However, the building cost is still out of reach for many.
- Commissioner Kevin Crowley noted that many young people are interested in turn-key ready properties, and not so necessarily fixer-uppers. Day agreed that this is true for many, including his own children, but that this isn't necessarily true for all. Economic Developer Nate Reuss shared that his adult son recently bought what would be considered a fixer-upper in Minneapolis. Reuss cautioned that one should not look at his children as representative of the broader culture, however.

Chairperson Mueske inquired as to if there were topics that Commissioners would suggest for a similar conversation at the April Commission meeting. Commissioner Pollmann suggested that the issue of childcare may be a good topic to discuss, as some in the Hutchinson area are now scheduling their family planning around childcare openings.

Adjournment:

With no further business, Commissioner José Luciano moved to adjourn the meeting. Commissioner Robert Moller seconded the motion, which carried with no dissent.

Chairperson Shawn Mueske adjourned the meeting at approximately 7:50 p.m.

Respectfully Submitted,

Eric Day, Acting Secretary

Shawn Mueske, Chairperson

The Next MMDC Commission Meeting Will Occur on Wednesday, April 23, 2025, at 6:00 p.m.

The location of this meeting is yet to be determined.