

# ANNUAL REPORT

Calendar Year 2017

## MID-MINNESOTA DEVELOPMENT COMMISSION



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

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# MID-MINNESOTA DEVELOPMENT COMMISSION

*Serving the People of Region Six East*

*To Those We Serve:*

On behalf of the Mid-Minnesota Development Commission (MMDC), we respectfully submit this 2017 Annual Report and thank you for taking the time to review the information. This report highlights key achievements of the Commission and its staff in carrying out MMDC's mission during calendar year 2017. The enclosed year-end financial data is for Fiscal Year 2017 (July 1, 2016 to June 30, 2017).

The Commission was involved with several large projects and numerous smaller projects in 2017. One of the principle activities over the course of the year was the preparation of a Local Human Service Public Transit Coordination Plan for the Region. Many stakeholders participated to assess the needs and gaps in our Region's transportation services and prepare an implementation plan to address these gaps. A short article on this planning effort is highlighted on page 12 of this Report.

There were several other major activities during 2017 the Commission completed. Staff assisted the City of Lester Prairie prepare a Comprehensive Plan for the community. Kandiyohi County was provided assistance with the preparation of a Countywide Bicycle and Pedestrian Plan. In addition, staff helped Meeker County prepare a successful grant application to the Blandin Foundation to help fund a Broadband Feasibility Study. These projects and more are highlighted in the Annual Report.

Please take some time to read through the 2017 Annual Report to gain an understanding of the variety of tasks we perform. Further information about the Commission may be found at the MMDC web site: [www.mmrhc.org](http://www.mmrhc.org). When projects arise where you need assistance, we encourage you to call us. Please also contact us if you would like us to attend one of your meetings to either discuss a particular project need, or just to receive a general update from the Commission. Through our Board's leadership, and our talented staff, we will continue to strive to make a strong positive impact on the Region. We pledge that we will not consider a job complete until the client is satisfied with the end product.

Respectfully yours,



*Kevin Crowley*

Kevin Crowley  
Chairperson



*Donn Winckler*

Donn Winckler  
Executive Director

# 2017 Commission Members

## *Kandiyohi County Representatives*

Cathy Baumgartner.....Public Interest  
 Kevin Crowley, Vice-Chair\*, Chairperson\*\* .....  
 ..... Municipalities / Public Interest  
 Rick Fagerlie ..... City of Willmar  
 Robert Moller, Secretary .....Public Interest  
 Shawn Mueske .....Public Interest  
 Rollie Nissen .....County  
 DuWayne Underthun, Vice-Chair\*\* .... Townships

## *Renville County Representatives*

Jeff Benson..... Public Interest  
 Doug Erickson ..... County  
 Sue Hilgert ..... Municipalities  
 Helen Ruebel.....Townships  
 James Schafer..... Public Interest  
 Francis Schweiss..... Public Interest

## *McLeod County Representatives*

Robert Anderson..... Townships  
 Bob Becker ..... Municipalities  
 Doug Krueger .....County  
 John Lofdahl.....City of Hutchinson

## *Meeker County Representatives*

Frank Eder .....Municipalities  
 Mike Housman, Treasurer..... County  
 Greg Langmo .....Public Interest  
 Maureen Melgaard-Schneider, Chairperson\* .....  
 .....Public Interest  
*vacant*..... *Townships*

\* Denotes office held until June 2017  
 \*\* Denotes office held after June 2017

### **Broadband Accessibility Assistance**

**M**MDC staff provided assistance to Meeker County in 2017 preparing a grant application to the Blandin Foundation. The County received the grant which helped pay for conducting a countywide Broadband Feasibility Study. The study will help guide Meeker County’s decisions on how to best move forward with advancing high-speed broadband opportunities in the future. Staff are members of the County’s Broadband Committee, and assisted with the RFP process in selecting a consultant firm to conduct the feasibility study.

In addition, staff served on the Kandiyohi County and City of Willmar EDC’s Broadband and Advanced Technology Committee. Time was also spent promoting the need for broadband access as a critical infrastructure need throughout the region to local units of government and to area legislators.



The Mid-Minnesota Development Commission and its area served has been designated a Federally Certified Economic Development District (EDD) by the U.S. Department of Commerce’s Economic Development Administration (EDA). The EDA and its planning program provides essential investment support to district organizations.



The planning assistance provided assists MMDC with short term planning investments. Eligible activities under this program include the development, maintenance, and implementation of a Comprehensive Economic Development Strategy (CEDS) for the region and related short term planning activities.

Staff authored the Federal Economic Development Administration Planning Grant Application. The application asked for a total award of \$210,000.00 over a three-year period. This amount is matched with funding at the local level through MMDC’s local budget. The planning grant application was approved by EDA.

Staff participated in a Federal EDA Peer Review and Site visit. Several local Economic Development individuals, as well as governing board members participated in the meeting. The Commission received a written summary of the meeting that included an evaluation of the success of MMDC economic development services. The results of the peer review were positive with the Commission receiving a satisfactory ranking.

Staff authored the Federal Economic Development Administration’s Planning Grant Progress Report. The report was then sent to the EDA’s Chicago Regional Office to stay in compliance with the Special Award Conditions of the Planning Grant.

Staff authored the Annual CEDS Report Performance Report and forwarded the report to EDA.

Staff authored the Government Performance Results Act Report and the Report was forwarded to the EDA.

Technical assistance was provided to Meeker County Broadband Committee and assistance was provided in acquiring feasibility study grant funding from the Blandin Foundation. Please see the article, *Broadband Accessibility Assistance*, found on page 3 in this report.

Staff also provided technical assistance to the Kandiyohi County Broadband Committee throughout 2017.

Staff provided Revolving Loan Fund technical assistance to the Kandiyohi County/City of Willmar Economic Development Commission and the Renville County Economic Development Authority.

Staff participated in statewide Economic Development Counterparts meetings held on a quarterly basis. Some of the discussion centered around the statewide *DevelopMN* plan updates.

Staff served on the Willmar Area Vision 2040’s Economic Vitality & Diversity Committee, as well as the Housing Committee.

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

The Commission annually participates in the Area Transportation Partnership's decision-making process of which projects receive Federal funding through the State's Transportation Improvement Program. MMDC's voting members on the ATP in 2017 were Mike Housman and Rollie Nissen. Meeker County Engineer, Ronald Mortensen was the Commission's County Engineer representative. The Commission holds an annual public informational meeting on the proposed Area Transportation Improvement Program. Staff provides assistance for this activity as well as serving on the ATP Committee that makes Transportation Alternatives program (TA) funding recommendations. This program combined several federal programs together under the new federal Transportation Act, including the Enhancement Program, Safe Routes to School infrastructure funding, and Scenic Byway funding. Staff continues to be involved with developing application materials for this grant program. Staff has also been part of a statewide MNDOT Local Technical Team that has made recommendations on the ATP process including the TA application process. In 2017 staff took the lead as the Committee Chairperson.



MMDC began assistance in the preparation of a Safe Routes to School Plans (SRTS) for the Eden Valley-Watkins School District and Cedar Mountain School District for their elementary school in the City of Franklin. The SRTS program is an opportunity to make walking and bicycling to school safer for children and to increase the number of children who choose to walk and bicycle. SRTS is a nationwide program. MMDC receives funding from MNDOT to provide technical assistance to school districts and cities that have successfully applied to the state to move forward in creating plans. The City of Dassel also adopted their SRTS Plan early in the year. Assistance was given to a TA application that will help fund some of their infrastructure projects identified in the plan including sidewalks near the school.

Staff was funded by Kandiyohi-Renville SHIP to work with the communities of Olivia and Bird Island to prepare Healthy Living Transportation Plans. The City of Olivia's Plan was adapted in early 2017. The City of Bird Island's plan was still in the process of being prepared in 2017.

Commission staff was also active in the following transportation activities during the 2017 Calendar Year:

Staff provided input into various MNDOT statewide plans, and provided assistance to MnDOT District 8 in helping develop project scoping documents.

Staff participated with MNDOT, the City of New London, and the New London-Spicer School District, on identifying safety concerns at the intersection of State Highways 9 & 23. MNDOT is currently examining re-signing the intersection to help mitigate the number of accidents and fatalities.

Staff provided information on the TED Program, and provided assistance to a City considering submitting an application.

Staff attended, and led RDC Transportation Planners meetings during the past year. These quarterly meetings allow the planners

*(Continued on page 10)*

In 1995, MMDC received a grant from the U. S. Department of Commerce/Economic Development Administration to initially create a \$1,200,000 Revolving Loan Fund (RLF). The grant was partially matched by the Commission, local units of government, and the Southwest Initiative Foundation. Program goals include assisting businesses with gap financing and creating employment opportunities within Region Six-East's four-county service area. After due diligence, by the loan committee, loans are funded for working capital, real estate purchases, and equipment purchases.

The purpose of the RLF program is to strengthen and diversify the local economy. This is reached by providing a source of low interest financing to businesses, when credit is not otherwise available from other sources, and to ensure the successful completion of a project or activity. Job creation and retention are also a priority of the fund. Since inception the fund has loaned almost \$4,000,000 and leveraged over \$27,000,000 in private investments. The loans have created or retained over 800 jobs in the four counties.

### Featured Business



A former furniture store in downtown Willmar, Minnesota, is being turned into a shopping center. The building is owned by New Minnesotan Realty, LLC, with managing partners Sahra Gure and Abdirizak (Zack) Mahboub. The building will be home to approximately five businesses which will open on the first floor. There are approximately two businesses located on the second floor of the building. The first floor planned businesses include a grocery store, tailor shop, barber shop and bridal shop. Many of the entrepreneurs are of East African descent. Possible future plans include a wedding center on the lower level along with an elevator installation. The Mid-Minnesota Development Commission provided financial assistance to the project.

**T**he Community Development and Planning Department assists with a wide variety of consulting and planning projects for local units of government, including cities, counties, townships, watershed districts, and school districts. The Commission charges an affordable technical assistance rate and often applies for grant funds to minimize project costs. In addition, numerous questions are researched on a regular basis, without MMDC charging a fee, for local units of government, citizens, elected officials, businesses, and other stakeholders.

The Community Development and Planning Department specializes in the following types of projects:

**Official Plans**, including comprehensive plans, water plans, hazard mitigation plans, park plans, and other types of community development plans and documents.

**Official Controls**, including zoning and subdivision ordinances, city codes, rules and regulations, and other types of regulatory documents.

**Environmental Reviews**, including environmental impact statements and environmental assessment worksheets.

**Special Projects**, including grant writing, community surveys, public facilities planning, housing studies, mapping services, and many other type of technical services.

As one of Minnesota’s State Data Centers, MMDC also regularly provides Census and demographic data free of charge.

### Main Projects during the Calendar Year

#### Lester Prairie Comprehensive Plan

MMDC completed work on updating the City of Lester Prairie’s Comprehensive Plan. A reduced Urban Growth Area Map was one of the major changes to the Plan. In addition, they developed seven new goal areas to pursue as a community. The goals range from downtown revitalization to promoting Lester Prairie as a family and kid-friendly community.



#### McLeod County Solid Waste/Recycling Grant

MMDC began work with writing a grant to the Minnesota Pollution Control Agency (MPCA) for McLeod County to be able to build an auxiliary Material Recovery Facility (MRF). This included assisting in preparing the preliminary design plans and cost estimates for the project. The MPCA will pay up to 50 percent of the project through its Capital Assistance Program. If the grant is successful, construction will begin in fall 2018.

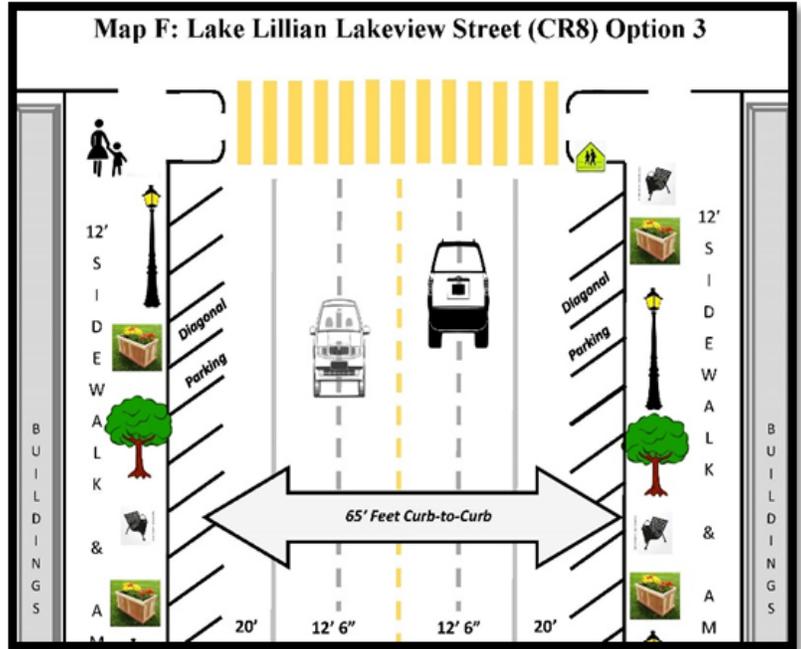
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**Community Development and Planning**

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**Lake Lillian Planning Assistance**

MMDC began assisting the City of Lake Lillian on what the community’s Main Street will look like after County Road 8 is reconstructed in 2020/21. MMDC staff facilitated local meetings to discuss their options about how the road’s right-of-way could look like after it is reconstructed. The current street width is approximately 81 feet and will be reconstructed to approximately 65 feet. The reduction will provide the opportunity for new amenities, such as wider sidewalks, trees, benches and flower boxes. The City is also examining the cost of replacing sewer and water lines under Main Street since there would be cost-savings if completed during construction. Once these decisions are made, MMDC will be assisting them with developing a comprehensive land use plan.



**City Codes**

MMDC assisted updating ordinances for several cities during 2017. This ordinance work has MMDC well situated in assisting other communities with updating their code work in the future. Staff assisted with the following projects:

- \* The City of Franklin codes were completed and adopted by the City Council.
- \* The City of Pennock’s codes were completed and adopted by the City Council.
- \* The City of Plato has been working with a local task force on updating their city codes. MMDC provided their task force with some customized chapters to review.
- \* The City of Atwater was assisted in updating the transportation section of their codes, dealing with parking, ATVs, snowmobiles, winter parking, etc.

**Buffalo Creek Watershed District**

MMDC continues to provide the Buffalo Creek Watershed District (BCWD) with technical assistance. In 2017 staff assisted BCWD with updating their rules and regulations. Revisions were needed to clarify the District’s drainage coefficients and overall permitting process. Staff coordinated efforts with the District’s attorney, engineering firm, and other key stakeholders.



## Kandiyohi County Bicycle & Pedestrian Plan

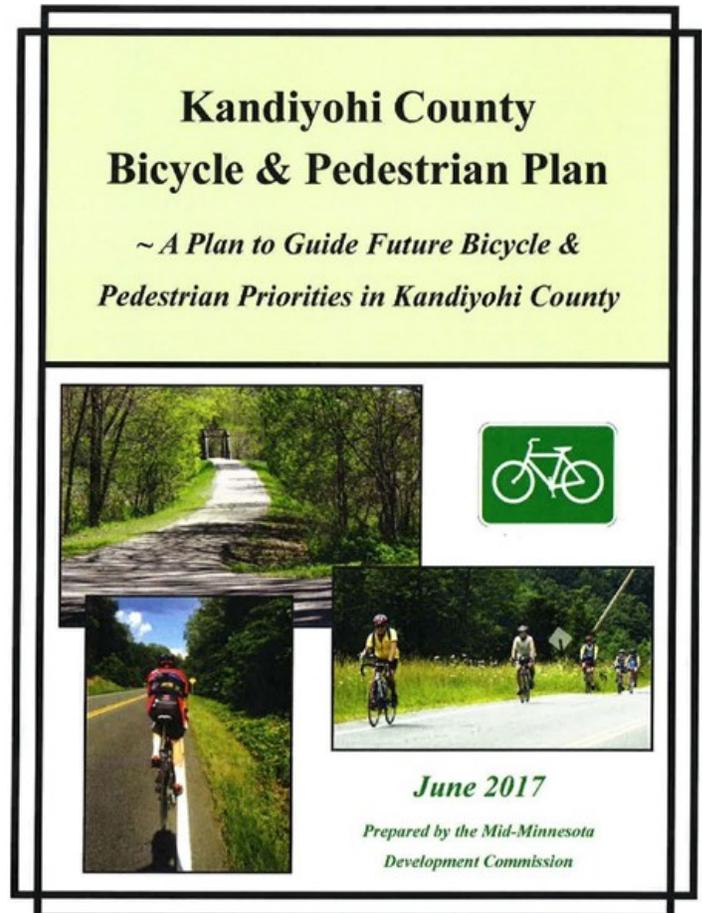
The Commission assisted Kandiyohi County with preparing a Bicycle and Pedestrian Plan that was completed in 2017. The primary purpose of the Plan is to guide bicycle and pedestrian decisions in the County over the next ten years. The Mission Statement for the Plan is *“A county where people and places are connected through a safe and convenient bicycle and pedestrian network.”*

The County’s Engineer/Public Works Director expressed the need of knowing which county roads should have paved shoulders for bicycles and pedestrians as roadways are reconstructed. This ultimately led to the decision for the County Board to enter into a contract with the Mid-Minnesota Development Commission to assist with developing the County’s Bicycle & Pedestrian Plan. A task force of key stakeholders was assembled to assist with developing the Plan.

An addition to guiding bicycle and pedestrian project decisions, the Plan accomplished a variety of other initiatives, including:

- \* Establishing a long-range vision for Kandiyohi County’s bicycle and pedestrian network.
- \* Inventorying current facilities and identifying gaps and connectivity needs in the network.
- \* Using public participation and stakeholder cooperation in determining needs and implementing projects.
- \* Being consistent with and identify needed action steps for the County to integrate bicycle and pedestrian facility projects into other local, regional, and state plans.
- \* Clearly articulating the County’s role and guidelines on supporting bicycle and pedestrian facilities.
- \* Established a planning and implementation framework that facilitates desired facility development, management, and use, consistent with the County’s goals and priority projects.
- \* Developed a 10-year overall plan with a 5-year list of implementation priorities and potential funding sources.
- \* Identified routine maintenance needs (i.e., surface treatments, timing, funding, responsibilities, etc.).

Several potential trail projects were identified from a variety of sources throughout the planning process. From the list of potential projects, a list of eleven priority projects were selected. These projects were all highlighted as potential projects the county is likely to support in the future when various stakeholders have secured proper funding.



### ***Economic Development***

*(Continued from page 4)*

Due to changes in reporting to EDA, staff attended an EDA webinar regarding the new *Grants Online* process. Submissions for grant compliance are to be submitted via the portal.

Staff attended a Child Care Forum in St. Cloud in September of 2017. Childcare has risen to be one of the top issues in rural Minnesota.

Staff attended a *Lunch with Leaders* meeting held in Willmar. The new city administrator provided insight on his vision for the City of Willmar.

Staff attended a Minnesota Association of Development Organizations (MADO) *All Staff Retreat* in Brainerd.

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### ***Transportation Planning***

*(Continued from page 5)*

to share information and coordinate planning efforts. This included organizing a state two-day transportation planner's workshop with topics covering: Minnesota's Rail Safety Program; Minnesota Safe Routes to School; Regional Human Service Transit Coordination Plans; and how to create ADA Assessable documents.

Staff also attended the National Walking Summit held in St. Paul.

Staff continues to be part of the Willmar's Bicycle Friendly Community Committee. The City has earned bronze level *Bicycle Friendly Community* status.

Staff gave assistance to the formation of a new Highway 23 Coalition. The Commission was hired to be the Coalition's fiscal agent.

Staff attended the MNDOT District 8 *Toward Zero Deaths* (TZD) conference that was held in the spring. Staff is a member of the District 8 TZD Committee and has been part of county TZD committee efforts.

Staff attended the two-day Minnesota Transportation Conference, hosted by the University of Minnesota. The conference was at the St. Paul River Centre. Approximately 400 stakeholders participated in the conference.

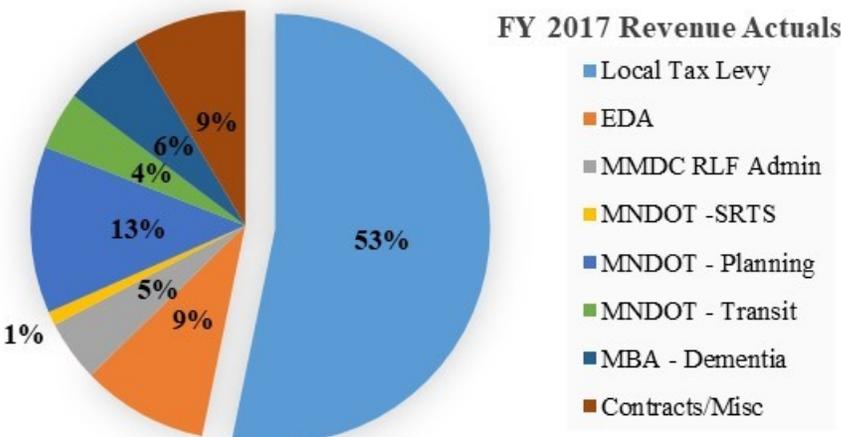
Staff oversees changes to the Region's roadway functional classification system.



# Financials & 2018 Budget

<b>REVENUES</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Actuals</b>	<b>FY 2018 Budget</b>
Local Tax Levy	\$ 316,808	\$ 318,066	\$ 317,000
EDA	56,971	56,971	70,000
MMDC Revolving Loan Fund Administration	27,025	27,587	28,222
MN Department of Transportation -SRTS	6,104	6,104	-
MN Department of Transportation - Planning	75,000	75,000	75,000
MN Department of Transportation - Transit	26,000	26,000	-
MN Board on Aging - Dementia	43,525	36,294	-
Local Contracts/Miscellaneous	41,923	51,507	55,613
<b>TOTAL</b>	<b>\$ 593,356</b>	<b>\$ 597,529</b>	<b>\$ 545,835</b>

<b>EXPENDITURES</b>	<b>FY 2017 Budget</b>	<b>FY 2017 Actuals</b>	<b>FY 2018 Budget</b>
Salaries & Fringe	\$ 455,200	\$ 456,077	\$ 467,767
Supplies & Printing	17,013	13,672	8,530
Communications	20,743	20,579	18,029
Services	67,059	60,700	42,107
Capital Outlay	4,666	4,666	2,500
Volunteer Services	2,266	1,067	304
Travel & Training	16,432	16,283	16,651
Commissioner Travel/Expenses	7,000	7,288	8,150
<b>TOTAL</b>	<b>\$ 590,379</b>	<b>\$ 580,332</b>	<b>\$ 564,038</b>



**Fiscal Year 2017 Audit:**

The Mid-Minnesota Development Commission contracts with Conway, Deuth and Schmiesing, PLLP, Certified Public Accountants, Willmar, MN to conduct an annual audit. The Fiscal Year 2017 auditors report expresses an unqualified opinion on the General Purpose Financial Statements of the Mid-Minnesota Development Commission.

## 2017 Local Human Service Public Transit Coordination Plan

**D**uring 2017, MMDC staff prepared a Local Human Service Public Transit Coordination Plan for the region. A steering committee was assembled to assist with the Plan’s development. The Plan will assist stakeholders as they determine ways to coordinate human service transportation and transit services in Region 6E (Kandiyohi, McLeod, Meeker, and Renville Counties). The Plan evaluated the existing transportation services in Region 6E, and assessed the needs and gaps of these services among public transit agencies, social service agencies, and other providers. The Plan also included public participation feedback and stakeholders’ preferred strategies and projects to improve transportation coordination. The preparation of the Plan included surveys, two stakeholder focus group meetings, a transit rider focus-group meeting, and a regional public workshop.

A Local Human Services Public Transit Coordination Plan is a federal requirement under the Fixing America’s Surface Transportation Act (FAST Act). Federal regulations require that projects eligible for funding under the Transportation for Elderly Persons and Persons with Disabilities Program (Section 5310) must advance strategies identified in a Local Human Service Transit Coordination Plan.

Beyond fulfilling federal requirements, this planning process encouraged representatives of diverse organizations to join together to identify specific projects that would enhance transportation services in the Region. The final implementation plan provides a 5-year blueprint for future coordination efforts in Region 6E and reflects input from a broad range of regional stakeholders, Steering Committee members, and citizens. One of the key implementation steps being advanced in 2018 is applying for an organizational planning grant to establish a Regional Transportation Coordinating Council within the Region. If funded, this council will work to help implement the strategies laid out in this 2017 Plan.



Please visit us at:  
<http://www.mmrdc.org>

- Executive Director.....Donn Winckler
- Financial Director/Office Manager ..... Sue Gimse
- Economic Development Director ..... Les Nelson
- Community Development Director ..... Matthew Johnson
- Admin Assistant/Tech Support Spec..... Teresa Westerman

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

**MMDC Staff**