

ANNUAL REPORT

July 1, 1992 - June 30, 1993

MID-MINNESOTA DEVELOPMENT COMMISSION

CHAIRMAN'S MESSAGE



Charles Warner

A few years back the Minneapolis Tribune (that was before Sid Hartman's sheet became known as "the newspaper of the free world") ran a series on "What Makes a Newspaper Great?"

Naturally articles detailed what constituted John Cowles Jr.'s publication. And the assumption was the Trib was great.

While I do not intend to cause members of the Mid-Minnesota RDC to blush by saying they're great, I would like to point out the success of the commission -- and Region Six East has had and continues to have a good commission -- is based on people: members of the commission and the staff they have hired.

Through the years the commission has had a great mix. Much credit for this goes to the holdover commissioners who insured continuity of effort and purpose. At the same time there has been turnover in membership which insures new ideas, fresh insights and renewed vigor.

One does not have to be a commissioner long to observe there is no pattern in support for issues and voting. Members from McLeod County (or any county) do not vote in a block. And seldom do the county commissioners, the township officials, the municipal officials nor the public members stick together issue after issue. Each topic is weighed on its own merit. Commissioners, for the most part, have the courage of their convictions and are willing to voice their views. They are also courteous in listening to views of others and they use this knowledge while rendering decisions.

Not for a moment would I suggest each action of the commission has been perfect. None of us are. Yet members of our commission strive to work toward perfection. And the commission is united in working in the best interest of Region Six East, Southwest Minnesota, and the State of Minnesota.

Our section of the state is a better place because of the dedicated members of the commission.

I'm proud to have had an opportunity to work with them.

EXECUTIVE DIRECTOR'S MESSAGE



H. Eugene Hippe

In 1969, the Minnesota Legislature passed a bill called "The Regional Development Act." Although this bill was timely, it was not unanimously accepted at the local level. In 1973 local units of government in the four county area of Kandiyohi, McLeod, Meeker and Renville took action to implement the 1969 legislation. It's probably an understatement to say some local units of government were reserving judgment. In fact, a number of the early appointments to the commission assumed a role of "watch dog" rather than advocate or active participant.

Voting on issues at many of the early meetings was characterized by "block voting" on a county basis. The majority of the issues discussed were individually analyzed from the viewpoint of "what's in it for my city or my county." Gradually, this suspicion and parochial thinking was replaced by a more holistic attitude.

Twenty years of working together has taught the commission that both problems and opportunities transcend municipal and county boundaries. Twenty years of working together has built a level of trust and a spirit of cooperation which is crucial to survival in out-state Minnesota. I'm pleased to be a part of a team that makes a difference and helps make positive things happen.

ECONOMIC DEVELOPMENT

The Mid-Minnesota Development Commission's economic development program is designed to assist local units of government and businesses in the region with activities that create or support the creation of jobs and investment. Program activities are funded by a grant from the U.S. Department of Commerce, Economic Development Administration and the local tax levy. An advisory committee makes recommendations to the commission on the priorities and goals of economic development in the region. The committee is chaired by Richard Loftness of Hector and consists of 16 members representing the diverse economic interests in the region.



Lee Larson

A major portion of staff time in economic development is devoted to technical assistance. Requests from businesses, individuals and governmental units can range from business assistance information to business finance analysis, infrastructure improvements, tax increment financing and grant and loan writing. The preparation of loan and grant applications to various public and private funding sources make up a large portion of the commission's economic development workload.

One of the larger projects the past year has been the preparation of an application to the Economic Development Administration for public works funds on behalf of the City of Buffalo Lake. When funded, the city will construct a pretreatment facility to treat wastewater from Minnesota Beef Industries, Inc. A companion application to the Minnesota Public Facilities Authority was also prepared for and submitted by the city.

The commission continues to serve as an information source for businesses. The commission office is a public access site for the Minnesota Project Outreach (MPO) program. MPO provides telephone/computer access to an information system that

allows companies to access experts in science and technology, search for printed material, pursue licensable technologies available from the University of Minnesota and receive business planning assistance. The commission is also an affiliate member of the State Data Center and the Economic Business Information Network (EBIN). Through the Data Center and EBIN, the commission has access to all data generated by the U.S. Census and Department of Commerce.

COMMISSION MEMBERS

KANDIYOHI COUNTY

Townships Howard Larson
 Municipalities Lorraine Browne
 County Earl Larson
 City of Willmar Steven Ahmann
 School Districts Dennis Goehring
 (Oct.-June)

McLEOD COUNTY

Townships Harold Sanken
 Municipalities Ray Wilkins (July-Dec.)
 Noel Phifer (Jan.-June)
 County Grant Knutson (July-Dec.)
 Eloi Hamre (Jan.-June)
 City of Hutchinson Donald Erickson
 (July-Dec.)
 John Mlinar (Jan.-June)
 Public Interest Charles Warner

OFFICERS

Chairman Charles Warner
 Vice Chairman Kathryn Kelly (July-Aug.)
 Steve Ahman (May-June)
 Secretary Treasurer Lorraine Browne

RENVILLE COUNTY

Townships Wesley Kuske
 Municipalities Carlyle Harried
 County Mary Page
 School Districts Kathryn Kelly (July-Aug.)
 Public Interest Dick Loftness
 Public Interest James Schafer

MEEKER COUNTY

Townships Archie Peters
 Municipalities Ron Ebnet
 County George Rice
 School Districts Lorallen Schmeling
 (Oct.-June)
 Public Interest Andrew Walters

EXECUTIVE COMMITTEE

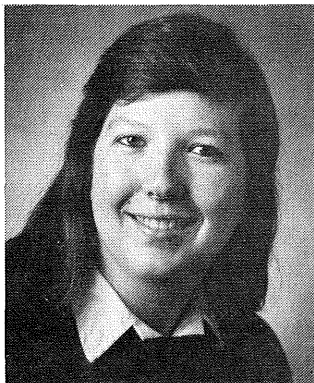
Charles Warner, Chairman
 Ron Ebnet
 Kathryn Kelly (July-Aug.)
 Wesley Kuske
 Lorraine Browne
 Steve Ahmann (May-June)

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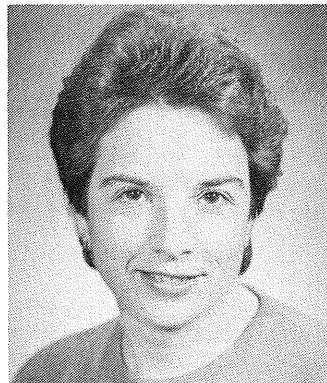
STAFF

Executive Director H. Eugene Hippe
 Office Manager Sharon Lindstrom
 Part-time Secretary Karen Burau
 Account Clerk Kay Ruhl
 Aging Program Director Lorraine Patton
 Small Business Development Center Counselor
 Greg Bergman
 Economic Development Specialist Lee Larson

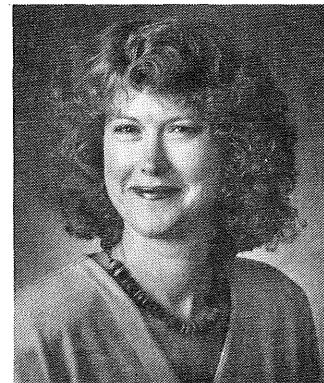
Community Development Specialists
 Gerald Grinde
 Donn Winckler
 SCDP Grants Administrator
 Bernard F. "Butch" Schulte
 Student Draftsperson Greg Benson
 (July-October)
 Tim Johnston (November-June)
 Community Development Intern Scott Williams
 (July-Aug.)
 Aging Intern Kristine Boylan (July-August)
 Bonita Kallestad (July-October)



Sharon Lindstrom
 Office Manager



Kay Ruhl
 Account Clerk



Karen Burau
 Part-Time Secretary

REVENUE AND EXPENDITURE SUMMARY FISCAL YEAR 1993

REVENUES

FEDERAL		\$ 619,514
Economic Development Administration	\$ 57,553	
HHS - Area Agency on Aging	<u>561,961</u>	
STATE		\$ 378,449
Homestead Taxes/Credits	\$ 43,028	
Department of Transportation	27,848	
State Nutrition	85,279	
Rural Rehabilitation Program	4,000	
Small Cities Development Grant	189,790	
Small Business Development Center	<u>28,504</u>	
LOCAL		\$ 141,567
Property Taxes	\$118,406	
Interest Earnings	13,852	
In-Kind Contributions	3,137	
Miscellaneous	<u>6,172</u>	
TOTAL REVENUES		<u>\$1,139,530</u>

EXPENDITURES

PERSONAL SERVICES	\$ 337,259
SUPPLIES & PRINTING	12,618
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	28,249
CONTRACTED SERVICES	727,725
OTHER CHARGES: Rent, Insurance, Professional Services	21,414
CAPITAL OUTLAY	2,444
TRAVEL: Staff and Advisory Committees	16,936
COMMISSIONERS: Travel and Per Diem	12,634
IN-KIND SERVICES	3,137
TOTAL EXPENDITURES	<u>\$1,162,416</u>

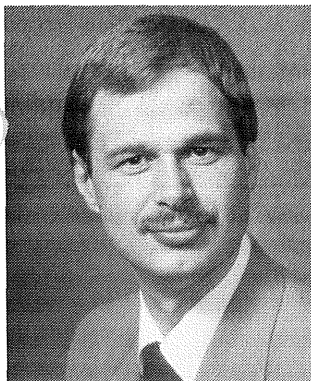
PROPOSED BUDGET SUMMARY FISCAL YEAR 1994

REVENUES

FEDERAL		\$ 673,147
Economic Development Administration	\$ 55,000	
HHS - Area Agency on Aging	<u>618,147</u>	
STATE		\$1,139,609
Homestead Taxes/Credits	\$ 44,417	
Department of Transportation	37,000	
State Nutrition	85,279	
Rural Rehabilitation Program	12,433	
Small Cities Development Grant	925,980	
Small Business Development Center	30,000	
Economic Blueprint	<u>4,500</u>	
LOCAL		\$ 161,485
Property Taxes	\$125,333	
Interest Earnings	10,000	
In-Kind Contributions	5,360	
Miscellaneous	9,360	
Reserve From Prior Years	<u>11,432</u>	
TOTAL REVENUES		<u>\$1,974,241</u>

EXPENDITURES

PERSONAL SERVICES	\$ 356,037
SUPPLIES & PRINTING	19,198
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	31,966
CONTRACTED SERVICES	1,493,233
OTHER CHARGES: Rent, Insurance, Professional Services	23,624
CAPITAL OUTLAY	5,000
TRAVEL: Staff and Advisory Committees	25,598
COMMISSIONERS: Travel and Per Diem	10,725
OTHER USES	3,500
IN-KIND SERVICES	5,360
TOTAL EXPENDITURES	<u>\$1,974,241</u>



Greg Bergman

SMALL BUSINESS DEVELOPMENT CENTER

A Small Business Development Center (SBDC) was opened on January 1, 1991. Located in the Mid-Minnesota Development Commission office, the SBDC serves Kandiyohi, McLeod, Meeker, Renville and northeastern Swift Counties.

SBDC's work one-on-one with individuals interested in starting or expanding a business. SBDC's provide counseling, training, information, referral, technology transfer and other assistance to small business owners and managers. Counseling services provided include recordkeeping techniques, marketing strategies, financial packaging and analysis, business planning and entrepreneurial training.

Sixty clients were served by the Small Business Development Center this fiscal year. The SBDC has also provided information to over thirty additional individuals and businesses who telephoned or visited the office. Counselor Bergman has been a keynote speaker at a variety of service organization meetings throughout the year. The SBDC has also played an active role in the Willmar Chamber of Commerce Education Committee, the Meeker County Economic Development Steering Committee, various Chambers of Commerce and other organizations related to business education and development.



Lorraine Patton

AREA AGENCY ON AGING

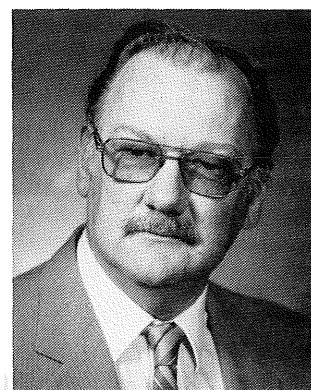
The Mid-Minnesota Area Agency on Aging (AAA) is dedicated to helping older people in Kandiyohi, McLeod, Meeker and Renville Counties lead comfortable, independent lives. The goals of the AAA are to enhance service offerings and to ensure that the needs of the senior population are met. Each year the AAA is accountable for a budget of approximately \$581,000, which provides for program development as well as financial assistance to service providers and senior centers.

Highlights of Fiscal Year 1993 include the opening of a new congregate nutrition site in Silver Lake, serving approximately 20-25 seniors a hot noon meal. The AAA in conjunction with the Minnesota Department of Transportation is assisting four county task forces in assessing transportation needs and resources. Five elder abuse workshops were conducted, offering caregivers opportunities to increase awareness and knowledge of methods of identification, intervention and response to elder abuse. A new funding category for Health Promotion & Disease Prevention is providing services for Depression Screening, Education & Referral. This program targets at risk elders who have experienced a decrease in their ability to tolerate physical, psychological and social stress.

The AAA has an advisory council composed of 13 members chaired by Andrew Walters of Watkins. The advisory council meets once a month and has a primary responsibility of establishing priorities

and reviewing and recommending projects for funding. Although priorities and projects change, the following list of priority areas and projects were funded during 1993:

- Transportation: Meeker County, Spicer, Atwater, Glencoe Area Health Center and Heartland Community Action Agency
- Legal Services/Education: Western Minnesota Legal Services
- Respite Care: Counties of Kandiyohi, McLeod, Meeker and Renville
- Congregate Dining and Home Delivered Meals: Heartland Community Action Agency
- Senior Center: Browntown, Minnesota
- Information & Referral: Mid-Minnesota AAA
- Depression Screening: West Central Community Services

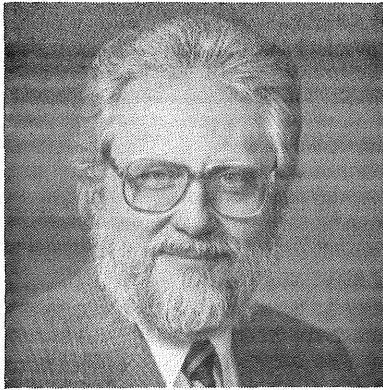


Bernard F. Schulte

SCDP GRANT ADMINISTRATION

The Mid-Minnesota Development Commission is administering three Small Cities Development Program (SCDP) grants in the cities of Raymond, Litchfield and Fairfax. Funding for the program comes from the U.S. Department of Housing & Urban Development (HUD) and is administered at the state level by the Minnesota Department of Trade & Economic Development (DTED). SCDP grant funds are providing for rehabilitation of housing units for families with low and moderate incomes in all three cities, and for rehabilitation of commercial structures in Litchfield and Fairfax. SCDP funding in the amount of \$395,211 is providing rehabilitation of 30 single family units and 5 rental units in Raymond. Litchfield received \$411,586 to rehabilitate 23 single family units and 12 downtown businesses. Fairfax received \$496,726 to rehabilitate 24 housing units and 13 downtown businesses.

The three cities have contracted with the MMDC to administer the grants. This arrangement provides the local units of government with experienced grant administrators and relieves the cities of a staggering amount of paperwork. The MMDC has a person trained in HUD Section 8 Rental Assistance guidelines, which are the rehabilitation standards used in the SCDP program. Other MMDC personnel are involved in the financial and project administration of the program.

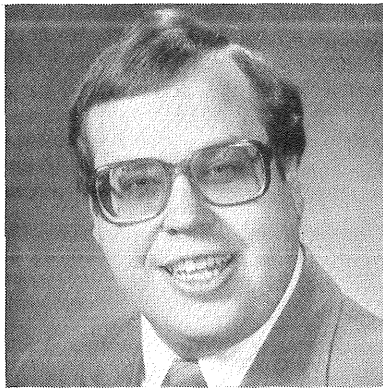


Jerry Grinde

TECHNICAL ASSISTANCE

Providing services to local units of government has always been a major part of the commission's work. In its formative years, the commission was able to direct considerable staff resources into this activity. In recent years funding flexibility has become limited and consequently the commission has less resources to commit to this popular component of its work program. A considerable amount of staff time this past year has been devoted to assisting cities explore and prepare grant applications for Small Cities Development Program grants. Time constraints and the complexity of the applications limit staff to being able to work with only 5-6 cities per year. Recent recipients of grant application assistance are Atwater, Grove City, Glencoe, Lester Prairie and Olivia. Several other cities received exploratory type assistance.

Other types of technical assistance include preparation of statistics from the computerized census data base or from other data sources. Requests range from information for hospitals and nursing homes to data on housing, minorities, elderly and businesses. The commission publishes a newsletter on a monthly basis and uses it to keep local units of government and others informed regarding relevant grant and loan programs and recent legislative changes. This year the commission hosted a one day workshop on new OSHA regulations.



Donn Winckler

TRANSPORTATION

Transportation has always been an important part of the commission's work program. Early activity dealt with the movement of agricultural commodities, transportation as an economic development indicator and township road recording. Other activities focused on regional growth centers, highway transfers and designations, airport studies, minimum maintenance roads and public transit. All of these items are still important but the work program is constantly changing. Local input on transportation activities is provided through the Mid-Minnesota Transportation Advisory Committee (TAC). The TAC consists of 14 members and is chaired by Harold Sanken of Brownston.

One of the largest activities during the past year was completing a regional Functional Classification Update Study. The TAC made recommendations on State Trunk Highway designation as Principal and Minor Arterials. The TAC also ranked the region's Principal Arterials in order of importance for placement on the National Highway System. Staff also worked with the four County Engineers and City Engineers in Willmar, Hutchinson and Litchfield updating their local functional classification road systems.

Staff has continued to be very active with transit planning activities. Staff has met with all four county boards of commissioners to discuss transit planning. Transit Task Forces have been set up in each county and have started to meet. Staff is in the process of completing a Section 16 monitoring project of those agencies in the region who have received Section 16(b) (2) funding. Staff has also reviewed Section 16

(b) (2) applications this year and gave assistance to three organizations writing the applications. The Section 16 program primarily funds nonprofit organizations enabling them to buy vans and small buses which provide improved access to transportation services for the elderly and handicapped.

Another major activity during the past year was learning about the new federal Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) legislation and participating in the Minnesota Department of Transportation District 8 Area Transportation Partnership (ATP). The ATP's main responsibility is the design of the "Transportation Improvement Program." Staff worked with the 2 other RDC's who are members of the ATP to rank transit capital projects. Staff also started to assist the City of Litchfield on an Enhancement Grant application.

MMDC staff is a member of Glencoe Transportation Task Force that is studying issues of a Highway 22 by-pass and a need for a second bridge across T.H. 212 and the river. Staff continues to be a member of the T.H. 12 Task Force that has a goal of an improved Highway 12 corridor.

Mid-Minnesota Development Commission
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