

# ANNUAL REPORT

July 1, 1988 - June 30, 1989  
MID-MINNESOTA DEVELOPMENT COMMISSION

## CHAIRMAN'S MESSAGE



**Stephen Enockson**  
Willmar City Council Representative

Statistically speaking our area is in good shape--but it can be better--and that's one of the reasons we have pursued economic development on a broader geographic basis. This past year, your commission took the initiative to help form an 18-county partnership called the Greater Southwest Development Corporation. This was formed under the auspices of the Greater Minnesota Corporation and meets the criteria for a business innovation center. Over 60 people played a role in the corporation's formation which resulted in incorporation with a 13-person board of directors. I was honored to be selected as the first chairman of the new organization.

In the past, our four-county region has worked together effectively to meet the challenges of the 80's. It seems evident that if we are to remain a viable economy in the 90's, we need to continue that spirit of cooperation. Part of that cooperative spirit will undoubtedly mean developing partnerships previously thought unworkable. We can meet the challenges and overcome the problems of the 90's in rural Minnesota if we continue to build on the foundation laid in the 80's.

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Statistics show our four-county area is growing in

population and our labor force is close to being considered employed. These kinds of general statistics, unfortunately, have a tendency to smooth out the peaks and valleys. Our four-county area is growing very fast, while a few counties are actually losing population.

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## EXECUTIVE DIRECTOR'S MESSAGE



H. Eugene Hippe

It's been 15 years since the commission established an office. Its oldest ongoing program is providing technical assistance to local units of government. Requests for assistance have been varied and include updating township road maps, creating water and sewer maps for cities, codification of ordinances, preparing land use plans and ordinances, creating tax increment finance districts, writing a wide variety of grants and coordinating multi-county projects such as solid waste and water management.

The second oldest program is the aging program which began as an 18-county program and changed to a four-county program in 1980. This program has been well-received by the public.

Another program that is an integral part of the commission's work program is economic development. This past year, the emphasis has been expanded to a multi-region focus. During the year, I worked with individuals in other regions to help form the Southwest Ag Utilization Resource Institute (AURI) and the Greater Southwest Development Corporation (Business Innovation Center). Also, I have worked with a group centered in St. Cloud that was successful in obtaining a planning grant for an Advanced Manufacturing Technical Institute. Perhaps the most significant multi-region impact on the economic development activities of the Mid-Minnesota Development Commission was the successful negotiation of a contract to deliver the Minnesota Marketplace program in the 18-county southwest area.

It's been a good year and I'm looking forward to continued cooperation and progress.

## COMMISSION PURPOSE

The legislation which authorized the creation of regional development commissions was passed in 1969. The purpose of the commission is to facilitate intergovernmental cooperation and ensure orderly and harmonious coordination of state, federal and local comprehensive planning and development programs for the solution of economic, social, physical and governmental problems.

The purpose of the commission is broad which allows the commission to provide the following services: conduct special analytical studies, promote economic development, research funding sources, write and administer grants, support job creation projects, prepare economic development plans, draft special maps, prepare tax increment finance district plans, codify and write ordinances and administer multi-county programs.

## ECONOMIC DEVELOPMENT

For the past nine years, the Mid-Minnesota Development Commission has received \$50,000 each year from the Economic Development Administration (EDA). The funds are used to prepare and update the regional Overall Economic Development Plan (OEDP) and to provide staff assistance on local development projects. As in previous years, residents and governing units in over 80 percent of the communities in the region received economic development

related assistance.

Commission staff played a key role in numerous grants and loans received by communities and businesses in the region. The Cities of New London and Morton received a total of \$132,000 in Small Cities Economic Development Grants which were subsequently loaned to local, job-creating industries. The City of Stewart received a \$342,230 Small Cities Development Grant to rehabilitate housing in the city. The staff also prepared three successful applications for low interest financing from the Southwest Minnesota Initiative Fund. Considerable staff time was also provided for other projects which resulted in unsuccessful applications or in analysis of proposals found not to be economically feasible.

Other economic development activities are more varied. The commission staff assisted the Greater Minnesota Corporation with the establishment of the Agricultural Utilization Research Institute, Business Innovation Center and Advanced Manufacturing Institute. The commission has also contracted to deliver the Minnesota Marketplace program in 18 counties of southwest Minnesota. The program involves matching businesses currently purchasing goods and services from out-of-state firms with manufacturers and suppliers in southwest Minnesota and Greater Minnesota. The goals of the program are to increase sales of local businesses; reduce transportation, communication and storage costs to buying businesses; and stop leakages in the regional economy.

The commission staff has also performed the task of coordinating other projects. Fourteen rural electric coopera-

Continued on page 3

Executive Director..... H. Eugene Hippe

Secretary/Receptionist

Office Manager ..... Pam Wiegmann

Account Clerk ..... Kay Ruhl

Financial Officer ..... Lorraine Patton  
(July - February)

Aging Program Director ..... Robert Otto  
(July - January)  
Lorraine Patton  
(February - June)

Community/Economic  
Development Specialists. .... Lee Larson  
Gerald Grinde  
Donn Winckler  
Greg Bergman

Supporting Staff..... Amy La Patka,  
Student Draftsperson (July - August)  
Matt Schroeder, Marketing Intern (July - August)  
Matt Peick, Student Draftsperson (September - May)  
Racquel Dahlke, Student Draftsperson (May - June)

### *Development continued*

tives have been brought together to determine ways of pooling their economic development efforts. Staff has worked with Kandiyohi County for several years to establish the Kandiyohi County Economic Development Partnership, a county-wide economic development authority. Similar efforts are also underway in Renville and McLeod Counties. Commission staff coordinated proposals to obtain Early Capital Seed funds from the Blandin Foundation and facilitated contacts between local development corporations and the Community Reinvestment Fund, a private agency whose function is to purchase loans made by local development corporations, thereby increasing local capital available for further local development.

## PROJECT NOTIFICATION AND REVIEW

The commission processed and reviewed 17 applications requesting state and federal funding assistance between July 1, 1988 and June 30, 1989. Seven of the applications were for funding open space/recreation projects and two were for transportation programs. Three applications were for economic development projects, three were for housing programs and two requests were for community development proposals. The commission reviewed but did not comment on seven applications that were determined to be of local significance and had no major effect on other agencies or governmental jurisdictions.

## COMMISSION MEMBERS

### Kandiyohi County

Townships ..... Howard Larson  
Municipalities ..... Phyllis Feist (July - August)  
Robert Powers (October - June)  
County..... Earl Larson  
City of Willmar ..... Stephen Enockson

### McLeod County

Townships ..... Harold Sanken  
Municipalities ..... Joe Miller (July - December)  
Ray Wilkins (January - June)  
County..... Grant Knutson  
Public Interest ..... Chuck Warner

### Meeker County

Townships ..... Wilfred Hendrickson  
Municipalities ..... Marlin Lietzau  
County..... George Rice  
School Districts ..... Keith Ackman  
Public Interest ..... Andrew Walters

### Renville County

Townships ..... Wesley Kuske  
Municipalities ..... Carlyle Harried  
County ..... Pat Kubesh  
School Districts..... Robert Richards (July - April)  
Kathryn Kelly (May - June)  
Public Interest ..... Dick Loftness  
Public Interest ..... James Schafer

### Officers

Chairman ..... Stephen Enockson  
Vice Chairman ..... Joe Miller (July - December)  
Charles Warner (January - June)  
Secretary/Treasurer ..... Marlin Lietzau

### Executive Committee

Stephen Enockson, Chairman  
Joe Miller (July - December)  
Charles Warner (January - June)  
Marlin Lietzau  
Wesley Kuske



## TRANSPORTATION PLANNING

The commission has an annual contract with the Minnesota Department of Transportation (Mn/DOT) to assist them with local aspects of transportation planning. One of the main responsibilities of the commission's Transportation Advisory Committee (TAC) is to make recommendations to Mn/DOT District 8 on their construction program.

A major activity of the past year has been the preparation of a Highway Corridors Economic Study update. This study continued the Highway 12 Corridor Economic Study by adding the Highway 212 Corridor and by focusing more attention on the manufacturing sector of the economy. A large body of statistical evidence has demonstrated what was previously only a suspicion, i.e., that there is a clear correlation between increased economic development employment and improved highway conditions.

Commission staff have also continued to assist townships with the simplified process of recording roads through the use of maps based on aerial photographs. This method of road recording is less expensive for townships than the old process of surveying roads before they were recorded. Eight townships, approximately ten percent of the townships in Region Six East, have either recorded their roads using this method, or are in the process of doing so.

Additional activities included assisting Mn/DOT with the market artery process and assisting senior citizen trans-

portation projects. With regard to the market artery process, reports were completed showing that such cities as Eden Valley, New London, Dassel, Sacred Heart and Fairfax fit under Mn/DOT's definition of "commercial places." The TAC studied and recommended six stretches of highway as "commercial access routes." Such designations assure higher Mn/DOT priorities for highway maintenance and construction. The commission also funded five senior citizen transportation projects and gave technical assistance to senior citizen transportation organizations.

The Transportation Advisory Committee for Fiscal Year 1989 included:

Harold Sanken, Chairman - Brownton  
 Bernard Alsum - Raymond  
 John Baumgartner - Olivia  
 Gary Danielson - Willmar  
 Gene Dillon - Olivia  
 Richard Kjonaas - Glencoe  
 Wesley Kuske - Olivia  
 Howard Larson - Willmar  
 Bruce Peterson - Willmar  
 Gordon Regenscheid - Litchfield  
 Dennis Stoeckman - Olivia  
 Christ Weigel - Danube

## COMMUNITY TECHNICAL ASSISTANCE

The commission's technical assistance effort encompasses two major areas: economic development and community development. Many projects include both areas, but for purposes of this report, only those areas that include community improvement activities will be listed. Economic development activities are listed elsewhere in this report.

Staff was involved in working with five cities and one county on the Star Cities/County Program. Two cities were recertifications and three were new to the program. Kandiyohi County was also assisted with their effort toward Star County designation. Assistance was given in writing grant applications for four open space/recreation proposals, and six communities received assistance in preparing Celebrate Minnesota 1990 proposals. Staff also prepared a ten-county application to the Robert Wood Johnson Foundation for the planning and development of a comprehensive, coordinated chemical dependency program. Four communities received assistance on housing needs analyses and another two on codifying ordinances. Seven cities utilized staff to help prepare or update comprehensive plans and related land use ordinances. Four communities utilized the commission to prepare tax increment districts and two more had staff assist with capital improvement programs.

In addition, staff worked with such varied requests as comprehensive Small Cities Development Grant applica-

tions, annexations, liaison with state and federal agencies, hazardous waste programs, comprehensive local water management planning, formation of local development corporations, a county ditch mapping project, applications to private foundations, public safety and providing census data, labor statistics and business statistics. Pictured below are key staff for this program area.



Lee Larson



Jerry Grinde



Donn Winckler



Greg Bergman

## AREA AGENCY ON AGING

The Mid-Minnesota Area Agency on Aging (AAA), serving senior citizens in Kandiyohi, McLeod, Meeker and Renville Counties, provides the leadership to assist older persons live independent and dignified lives. The AAA's comprehensive Area Plan on Aging identifies the needs of older persons and coordinates with communities and agencies to provide services and programs which meet these needs in the four-county area.

The AAA, under a grant award through the Minnesota Board on Aging, receives federal funding from Title III of the Older Americans Act. Other sources of funding include state money and United States Department of Agriculture reimbursement for nutrition services. Additional funds during 1989 were received through a grant from the Southwest Minnesota Initiative Fund. The total budget of \$702,203 enabled the AAA to fund 29 projects in 1989, meeting senior needs in nutrition, transportation, legal services, respite care, in-home services, adult education, senior citizen clubs and centers, ombudsman and adult day care. Services have been provided to 9,000 people age 60 and over.

The SENIOR NUTRITION project, which provides both congregate and home delivered meals, is available in 20 communities. The project serves over 200,000 meals annually. A new concept was introduced in 1989 whereby home delivered, frozen meals are provided to isolated vulnerable adults who live in areas where scheduled delivery of hot meals is not feasible.

TRANSPORTATION services, a high priority in Region Six East, is provided in all four counties. Approximately 40,000 one-way rides are provided. Vans and volunteer drivers are utilized to transport seniors, primarily for nutrition services and medical appointments and treatments.

Two LEGAL SERVICE projects are funded. One provides direct legal representation and the other consists of community legal education, a program which improves awareness of legal rights among seniors. Area seniors receive approximately 1,610 hours of direct legal assistance in areas of insurance, medicare, medical assistance, social security and housing issues.

Public health nursing service agencies provide RESPITE CARE to clients and family caregivers, thereby offering temporary relief from the continuous responsibility of caring for a chronically impaired relative. The 8,000 hours of respite care services currently provided is expected to increase in quantity and to require higher quality care for the more seriously ill seniors who are choosing to remain in their homes.

The IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS project has introduced a microwave lending program for the frail elderly. This program operates in conjunction with the new concept of providing frozen, home delivered meals to isolated vulnerable adults. The project serves frail older individuals whose physical and/or mental disabilities, including Alzheimer's Disease and related disorders, restrict the individual's ability to prepare meals safely and effectively using conventional cooking methods. The objective of the program is to enable a frail older person

to continue to live independently. A careful assessment of program participants is made prior to, and periodically after, the delivery of a microwave and, to ensure safety, participants receive special instructions on microwave operation.

The commitment to ADULT EDUCATION and the enrichment of lives was supported through the funding of large print books. The growing aging population has created a greater demand for large print materials which are available in libraries, book mobiles, nursing homes, senior centers and nutrition sites.

ADULT DAY CARE in Renville County provides physical and mental health services to functionally dependent seniors who may not be able to remain in the community without support services.

Renovations and equipment purchases funded at 12 SENIOR CENTERS and senior clubs will provide focal points in the communities, as well as education and socialization for seniors.

Solutions to problems of nursing home residents are provided by the OMBUDSMAN program. The ombudsman acts as a local information and referral resource, improving the quality of care and life in long term care facilities.

In addition to the active participation of community leaders and public officials, VOLUNTEERS provide valuable skills and resources which enhance the services and programs provided by the Area Agency on Aging. This network of volunteers often indicates they receive more than they give and the involvement provides a positive attitude toward their own aging.

The commission appoints a citizens advisory council of consumer and agency representatives to make recommendations regarding the Area Plan and the award of funds. Members of the 1989 Aging Advisory Council are as follows:

Andrew Walters, Chairman - Watkins

Ann Bosch - Willmar

Paula Brandt - Willmar

Agnes Draheim - Olivia

Lucille Ehmke - Willmar

Carola Frank - Fairfax

June Hagglund - Dassel

Ray Johnson - Sacred Heart

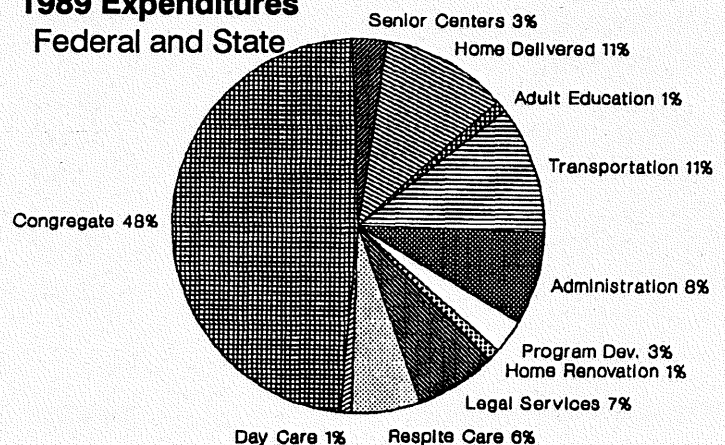
Stemple Johnson - Stewart

Clarence Klein - Watkins

Ancher Nelsen - Hutchinson

Brandon Pietsch - Litchfield

**1989 Expenditures  
Federal and State**



## REVENUE AND EXPENDITURE SUMMARY FISCAL YEAR 1989

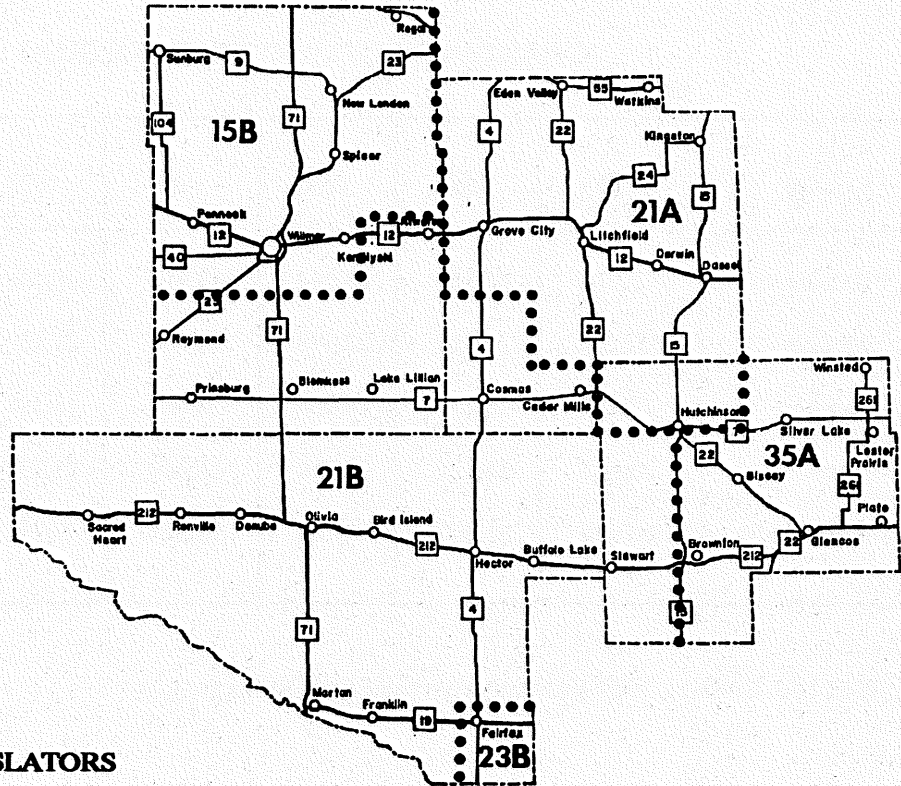
<u>REVENUES</u>		
FEDERAL		\$621,415
Economic Development Admin.	\$ 42,143	
HHS - Area Agency on Aging	<u>579,272</u>	
STATE		167,223
Legislative Appropriation	\$ 41,314	
Homestead Taxes	24,127	
Department of Transportation	25,000	
State Nutrition	<u>76,782</u>	
OTHER GOVERNMENTAL		
Private Industry Council 5		3,358
PRIVATE FOUNDATIONS		
Southwest Minnesota Initiative Fund		10,214
LOCAL		123,513
Property Taxes	\$ 77,921	
Interest Earnings	35,957	
In-Kind Contributions	7,160	
Miscellaneous	<u>2,475</u>	
<b>TOTAL REVENUES</b>		<b><u>\$925,723</u></b>

<u>EXPENDITURES</u>		
PERSONAL SERVICES	\$266,299	
SUPPLIES AND PRINTING	10,970	
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	30,845	
CONTRACTED SERVICES	595,204	
OTHER CHARGES: Rent, Insurance, Professional Services	19,091	
CAPITAL OUTLAY	4,118	
DEBT SERVICE: Xerox Copy Machine	2,108	
TRAVEL: Staff and Advisory Committees	15,548	
COMMISSIONERS: Travel and Per Diem	10,478	
IN-KIND SERVICES	<u>7,160</u>	
<b>TOTAL EXPENDITURES</b>		<b><u>\$961,821</u></b>

## PROPOSED BUDGET SUMMARY FISCAL YEAR 1990

<u>REVENUES</u>		
FEDERAL		\$625,010
Economic Development Admin.	\$50,000	
HHS - Area Agency on Aging	<u>575,010</u>	
STATE		187,896
Legislative Appropriation	\$ 41,314	
Homestead Taxes	42,800	
Department of Transportation	27,000	
State Nutrition	<u>76,782</u>	
PRIVATE FOUNDATIONS		
Southwest Minnesota Initiative Fund		65,500
LOCAL		142,252
Property Taxes	\$ 87,200	
Interest Earnings	18,000	
In-Kind Contributions	5,041	
Miscellaneous	2,400	
Reserve From Prior Years	<u>29,611</u>	
<b>TOTAL REVENUES</b>		<b><u>\$1,020,658</u></b>

<u>EXPENDITURES</u>		
PERSONAL SERVICES	\$ 301,982	
SUPPLIES AND PRINTING	10,500	
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	32,700	
CONTRACTED SERVICES	594,282	
OTHER CHARGES: Rent, Insurance, Professional Services	31,750	
CAPITAL OUTLAY	5,000	
DEBT SERVICE: Xerox Copy Machine	1,933	
TRAVEL: Staff and Advisory Committees	21,300	
COMMISSIONERS: Travel and Per Diems	12,670	
OTHER USES	3,500	
IN-KIND SERVICES	<u>5,041</u>	
<b>TOTAL EXPENDITURES</b>		<b><u>\$1,020,658</u></b>



### STATE AND FEDERAL LEGISLATORS

District	Legislator		
15	Senator Dean Johnson 105 State Office Building St. Paul MN 55155 612/296-3826	23	Senator Dennis Frederickson 143 State Office Building St. Paul MN 55155 612/296-8138
15B	Representative Alan Welle 437 State Office Building St. Paul MN 55155 612/296-6206	23B	Representative Don Ostrom 401 State Office Building St. Paul MN 55155 612/296-7065
21	Senator John Bernhagen 113 State Office Building St. Paul MN 55155 612/296-4131	35	Senator Earl Renneke 117 State Office Building St. Paul MN 55155 612/296-4125
21A	Representative Steve Dille 227 State Office Building St. Paul MN 55155 612/296-4344		Representative Vin Weber 106 Cannon office Building Washington, D.C. 20515 202/225-2331
21B	Representative Roger Cooper 507 State Office Building St. Paul MN 55155 612/296-4346		Senator David Durenberger 154 Russell Building Washington, D.C. 20510 202/224-3244
35A	Representative Gary Schafer 217 State Office Building St. Paul MN 55155 612/296-8634		Senator Rudy Boschwitz 506 Hart Building Washington, D.C. 20510 202/224-5641

### CHANGING POPULATION IN REGION SIX EAST

County	1930	1940	1950	1960	1970	1980	1987 Est.	1990
Kandiyohi	23,574	26,524	28,644	29,987	30,548	36,763	40,190	??
McLeod	20,522	21,380	22,198	24,401	27,662	29,657	30,661	??
Meeker	17,914	19,277	18,966	18,887	18,387	20,594	21,041	??
Renville	23,645	24,625	23,954	23,249	21,139	20,401	18,994	??
Region 6E	85,655	91,806	93,762	96,524	97,736	107,415	110,886	??

SOURCE: U.S. Census; 1987 Estimate from the State Demographer.

**M**id-Minnesota Development Commission  
333 SW 6th St. • Willmar, MN 56201

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