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Mid-Minnesota Development Commission Fiscal Year 2000

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Chairperson's Letter - A Year of Challenges

Our year began with the issue of finding a new Executive Director. In fact, this was our first new Executive Director in 25 years! A complete process had to be established as we proceeded with our search. Communication with our staff and Board members was vital. We certainly had many difficulties to work through, but success was our final product, as our new Executive Director, Donn Winckler, has proven to be a remarkable asset to the MMDC!



Sherron Reilly, Chairperson
1996-2000

The next issue of the year was our budget; our Area Agency on Aging (AAA) senior dining program had a major financial shortfall. This issue provided our Board with a lot of opportunity for debate and our staff with a lot of consternation. Despite the criticism, I do believe that the final decision for MMDC to guarantee the meal program through 1999, to find donation resources, and to realign our work relationship with the provider was the best decision we could make. Action had to be taken to change the dynamics of the situation and most importantly, to remove the threat of losing future meals, while promoting security for our rural senior citizens.

Providing an improved work arena for our staff has been a major focus with the changes of the past year. Our Commission needs an enthusiastic, knowledgeable, and comfortable staff. The Board has often stated that our staff turnover is too high; we need the dedication of long-term employees in our rural communities. We have taken several steps this year to improve the value of employment within our Commission, including adjustable work schedules, encouraging staff participation in decisions, realigning our staff position "tree", improving communication with the Board, adjusting our salary and benefit schedules, and simply acknowledging the value and importance of the individuals we have on our staff. I do believe we have made a difference in the work place for our Commission, but this is an ongoing project with issues to be addressed in the upcoming year. We will also be considering the options of location and visibility for our offices. Our employees need more space if our Commission is to grow with the new century!

As a Board we have taken on a new objective this year in providing ourselves (staff and Board) with a combined annual workshop. This practice will truly make a difference in the communication and perspective each of us has with the Commission. It was so good to listen to everyone's ideas, criticisms, and solutions. This annual workshop will give each of us a chance to speak, listen, evaluate, and grow in our MMDC position. I am pleased that we have initiated this valuable program!

As Board Chairperson for four years, this has been by far the most difficult, rewarding, time consuming, and the best year of my tenure in this position. I have truly enjoyed working hard with the staff and Board members to resolve these issues. The reward is seeing the decisions we made proven to be the best decisions we could have made. I have really appreciated our difficult debates on the Board, the great ideas, the sincere concerns, the dedication and the teamwork. We do manage to come together for the betterment of the Commission and that is what will provide the benefits to our rural areas. We care. It is what we are here for. As my term ends and I pass the meeting gavel to our new Board Chairperson, Bruce Shuck, I thank Mid-Minnesota Development Commission for the experience and the opportunity. It has been a great challenge and the pleasure has been mine!



Executive Director's Letter

Last summer, the Commission said goodbye to the previous Executive Director, Gene Hippe. After 25 dedicated years serving as the Commission's Executive Director, Gene is enjoying his well-earned retirement. After working with Gene for 13 years, I want to thank him for the good job he has done in leading the Commission into a solid position of providing meaningful and varied service within the four county region.

The first year in the Executive Director position has been an enjoyable experience where I continue to learn more about the position every day. My job during this transition period has been made much easier with a dedicated and knowledgeable staff and a Board of Commissioners who have been very supportive.

With change comes opportunity for continued growth and improvement. The Commissioners and staff had the opportunity during the past year to hold a workshop that examined the Commission's mission, long-term needs, and direction as well as discussing areas of strengths and weaknesses. This effort, along with continuing discussions with our customers and partners, will enable the Commission to continue to strive to make improvements to better serve the region.

I am very pleased with the quality and quantity of assistance we have provided to our varied customers during the course of the past year. Staff have been kept busy with an ambitious work program. Many of these activities are highlighted within this report. Matthew Johnson was promoted to a new position of Community Development/

Planning Director. Matthew and other community development staff have done an exceptional job of managing all the comprehensive land use plan contracts and other assistance projects during the course of the year. These efforts have been assisted with an effort to employ a stronger team approach to projects.

One of the major undertakings of the year has been the expansion of the Building Inspection Department. The Commission added a second State Certified Building



Donn Winckler
Executive Director

Official to the staff to help meet the demand for service within our area. We were very fortunate to hire Kevin Piepenburg for this position. Kevin has brought a vast amount of experience and knowledge with him to this new position, working a number of years for the City of Litchfield as their Building Official. Through the hard work of Department Director Butch Schulte, Kevin, and the in-office coordinating support of Tiffanie Krieger, we have signed contracts with a number of new communities to provide them with this necessary service. In addition to these department activities, these same staff also operate the MMDC's SCDP grant housing rehabilitation administration program.

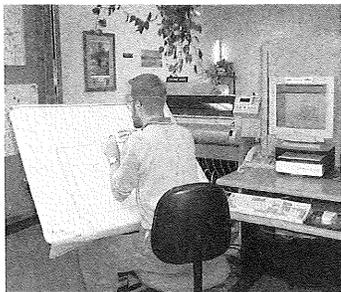
This past year was the last year of Sherron Reilly's term serving as Chairperson of the Commission. I want to personally thank her for the outstanding job she has done in this role over the past four years. She has been supportive and helpful to me during my first year as the Executive Director and has been a strong voice in representing the MMDC in and outside our region while holding the position of Chairperson.

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Community Development and Planning Technical Assistance

The Mid-Minnesota Development Commission is able to provide a wide array of community development/planning projects and activities for local units of government. Typically this particular program area is not tied to any



State or Federally funded program, but funded through service charges that are subsidized by the use of the Commission's authority to raise a limited amount of taxes. Consequently, the Commission is free to set its own priorities and objectives in providing

technical services where they are most needed by local units of government. This past year, the Commission received a Minnesota Planning grant in the amount of \$50,000 that will be implemented in two fiscal years. The grant will be used for regionwide GIS database mapping and long-range planning activities (discussed in more detail later in this section).

Each year the staff offer assistance to local units of government on a wide range of services. These services include comprehensive land use plans, zoning and subdivision ordinances, ordinance codification, grant and loan writing, community surveys, public facilities planning, housing studies, mapping projects as well as many other technical service activities. As one of Minnesota's State Data Centers, the MMDC annually provides businesses, non-profit agencies, private citizens, and units of government data from the Census and other sources.

Some of the principal accomplishments and activities that have been undertaken by the Community Development/Planning Department over the course of the past fiscal year are highlighted below:

- * City of Winsted and City of Lester Prairie comprehensive plans were completed.
- * Other cities and counties that the MMDC has contracts for comprehensive plans at various stages of completion include: Cities of Dassel, Renville, Bird Island, and Stewart; Counties of Meeker and Kandiyohi.
- * Assistance with Level One Feedlot Inventories in Kandiyohi and Renville Counties.
- * Wrote Small Cities Development Program grant applications for the Cities of Buffalo Lake and Renville, both of which were funded. Currently in the process of preparing three other SCDP applications for the Cities of Bird Island, Cedar Mills, and Prinsburg.
- * Shoreland ordinance was written for the City of Dassel.

- * Zoning ordinance assistance was given to the City of Olivia.
- * New water and sewer ordinances were written for the City of Raymond.
- * Ordinance codification has been completed for the City of Renville.
- * Assisted the Prairie Regional Health Alliance in writing a tobacco cessation grant application to target pregnant women to stop smoking.
- * A Rural Development Housing Preservation Grant pre-application has been approved and the final application has been submitted.
- * Helped sponsor an Izaak Walton League Community Stewardship Conference in Kandiyohi County.
- * Technical assistance has been given to the Cities of Plato, New London, Prinsburg, Cedar Mills, Sunburg, Franklin, and Dassel on public facilities projects.
- * Staff is preparing a model water conservation program.
- * Staff has assisted with the Arndt Bison Ranch project in Kandiyohi County.
- * Numerous maps have been made, including the current land use, future land use, zoning, housing, and natural resources maps.

Minnesota Planning Grant - Staff was successful in applying for a \$50,000 grant from Minnesota Planning during the past year. The grant project will be conducted during two fiscal years. The funds are being used to prepare computer-based current land use maps for all 40 cities within the region. Once these maps are completed, the Commission can assist the cities with a variety of mapping projects in a quick and accurate fashion. The funds will also be used to work with the counties, cities and townships on developing maps that identify city future growth boundaries over the next 20 years. These maps will identify where wetlands, floodplains, prime agricultural lands, and other features are located to assist planners in making wise land use choices. The final product of this grant will be to create mini-plans that would include current and future land use maps and a community profile for each city.

Geographic Information System (GIS) Mapping - For the past couple of years the Commission has added computer-based mapping and mapping informational analysis to our available services. Staff have already digitized base maps for many of the region's cities and townships and are continuing to develop more base maps. In addition to the base maps, the Commission has a large variety of informational map coverages that have been gathered from State agencies and from the Commission's own undertakings. GIS mapping has been used on numerous projects thus far including informational maps within comprehensive plans, zoning ordinances, feedlot locations,

Community Development and Planning Technical Assistance (continued)

transportation planning, and grant writing to name a few. Staff can assist individuals, businesses, local units of government, organizations, and others with their mapping needs. In the past fiscal year, maps have been produced for SCDP applications, comprehensive plans and other planning documents, a map showing snowmobile trails, a lake resort

business map, and a map showing Tax Increment Financing Districts within the City of Olivia.

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Commission Members

Kandiyohi County Representatives

DuWayne Underthun	Townships
Susan Lea (Jul.-Nov.)	Municipalities
Hanley Reigstad (Dec.-May)	Municipalities
Bruce Shuck	County
Les Heitke	City of Willmar

Meeker County Representatives

Archie Peters	Townships
Ava Flachmeyer	Municipalities
George Rice	County
Sherron Reilly	School District
Richard Brooks	Public Interest
Dorothy Lindstrom	Public Interest

McLeod County Representatives

Harold Sanken (Jul.-Jan.)	Townships
Roger Schmidt (Jun.-Present)	Townships
Edward Mlynar (Jul.-Dec.)	Municipalities
Kevin Klucas (Jan.-Present)	Municipalities
Sheldon Nies	County
John Mlinar	City of Hutchinson
Kay Husfeldt	Public Interest
Chester Hoernemann	School Districts

Renville County Representatives

Delbert Wetzal	Townships
Ronald Degner	Municipalities
Bob Mehlhouse	County
Richard Loftness	Public Interest
James Schafer	Public Interest

Officers

Chairperson	Sherron Reilly (Jul.-May)
	Bruce Shuck (Jun.-Present)
Vice-Chairperson	John Mlinar (Jul.-May)
	DuWayne Underthun (Jun.-Present)
Secretary	DuWayne Underthun (Jul.-May)
	John Mlinar (Jun.-Present)
Treasurer	Bruce Shuck (Jul.-May)
	Dorothy Lindstrom (Jun.-Present)

Staff

Executive Director	H. Eugene Hippe (Jul.-Aug.)	Community Development Director	Matthew E. Johnson
Executive Director	Donn Winckler (Sept.-Present)	Public Facilities/Spec. Projects Coord.	Robert F. Williamson
Office Manager	Kristen Rosenboom	Community Development Planner	Tyrone Hippe
Building Department Secretary	Tiffanie Krieger	Community Development Planner	Ryan Krosch (Sept.-Present)
Financial Director	Sue Gimse	Transportation Planner	Donn Winckler (Jul.-Aug.)
Aging Program Director	Ann Graupmann (Jul.-Oct.)	Transportation Planner	Steven Robertson (Oct.-Present)
Aging Program Director	Robert Otto (Nov.-Present)	SCDP Grants Admin.	Bernard F. "Butch" Schulte
Aging Program Specialist	Elizabeth Adams	Building Inspector	Kevin Piepenburg (Apr.-Present)
Economic Development Director	Les Nelson		

REVENUE AND EXPENDITURE SUMMARY FISCAL YEAR 2000

REVENUES

FEDERAL		\$ 1,260,978
Economic Development Administration	\$ 55,005	
HHS - Area Agency on Aging	561,077	
Housing Preservation Grant	18,710	
Dept. of Natural Resources	138,241	
Dept. of Trade & Econ. Devel.	<u>487,945</u>	
STATE		\$ 249,698
Homestead Taxes/Credit	\$ 50,032	
PERA Aid	-0-	
Dept. of Transportation	50,000	
State Nutrition	110,570	
State Health Insurance Counseling	18,500	
Minnesota Planning	<u>20,596</u>	
LOCAL		\$ 460,985
Property Taxes	\$ 140,377	
Interest Earnings	22,850	
Inkind	2,179	
Program Donations	24,726	
Elderly Workforce - Bremer Foundation	3,168	
Elderly Workforce - SW MN Foundation	14,508	
Building Inspections	53,843	
Revolving Loan Fund - Repayments	17,539	
Small Cities Repayment Monies	2,465	
City of Hutchinson - Flood	100,749	
Technical Assistance Contracts/Misc.	<u>78,581</u>	
TOTAL REVENUES		<u>\$ 1,971,661</u>

EXPENDITURES

PERSONNEL		\$ 532,528
SUPPLIES & PRINTING	16,552	
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	38,716	
OTHER CHARGES: Rent, Insurance, Professional Services	34,870	
CAPITAL OUTLAY	15,817	
TRAVEL: Staff and Advisory Committees	38,982	
COMMISSION: Travel and Per Diem	19,974	
DIRECT CONTRACTS	1,265,728	
OTHER USES	4,942	
IN-KIND SERVICES	<u>2,179</u>	
TOTAL EXPENDITURES		<u>\$ 1,970,288</u>

PROPOSED BUDGET SUMMARY FISCAL YEAR 2001

REVENUES

FEDERAL		\$ 2,930,054
Economic Development Administration	\$ 53,000	
HHS - Area Agency on Aging	608,220	
Dept. of Trade & Econ. Devel.	<u>2,268,834</u>	
STATE		\$ 243,681
Homestead Taxes/Credits	\$ 51,530	
PERA Aid	2,101	
Dept. of Transportation	50,000	
State Nutrition	96,550	
State Health Insurance Counseling	18,500	
Minnesota Planning	<u>25,000</u>	
LOCAL		\$ 353,618
Property Taxes	\$ 147,500	
Interest Earnings	17,000	
Inkind	3,240	
Elderly Workforce - Bremer Foundation	2,917	
Building Inspections	73,158	
Revolving Loan Fund - Repayments	20,000	
Technical Assistance Contracts	73,803	
Equipment Usage	<u>16,000</u>	
TOTAL REVENUES		<u>\$ 3,527,353</u>

EXPENDITURES

PERSONNEL		\$ 612,520
SUPPLIES & PRINTING	17,882	
OTHER SERVICES: Communication, Postage, Conference, Subscriptions	46,674	
OTHER CHARGES: Rent, Insurance, Professional Services	46,929	
CAPITAL OUTLAY	8,750	
TRAVEL: Staff and Advisory Committees	34,451	
COMMISSION: Travel and Per Diem	18,795	
DIRECT CONTRACTS	2,740,758	
OTHER USES	4,960	
IN-KIND SERVICES	<u>3,240</u>	
TOTAL EXPENDITURES		<u>\$ 3,534,959</u>

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 and 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 \$620,000, which provides for program development, senior information and assistance through the Senior Linkage Line®, and, health insurance counseling, as well as financial assistance to service providers and senior centers.

The AAA has an Advisory Council composed of 13 members chaired by Richard Brooks of rural Darwin. 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 funded during Fiscal Year 2000 is representative of a typical year:

- * **Transportation:** Meeker County, Spicer, Atwater, Kandiyohi County, Renville County
- * **Legal Services/Education:** Western Minnesota Legal Services
- * **Congregate Dining and Home Delivered Meals:** Augustana Lutheran Homes (28 congregate dining sites and 26 home delivered communities served).
- * **Respite Care:** Counties of McLeod, Meeker and Renville
- * **Health Promotion:** Atwater LAHBNP, Meeker County Council on Aging
- * **Adult Day Services:** Bethesda Adult Day Services, Renville County Hospital
- * **Senior Center Improvements/Renovation:** Cities of New London and Pennock
- * **Senior Linkage Line®:** Mid-Minnesota AAA direct service
- * **Health Insurance Counseling:** Mid-Minnesota AAA direct service



Grant Administration Services

The Mid-Minnesota Development Commission has successfully administered a number of Small Cities Development Program (SCDP) grants through the years. In Fiscal Year 2000, there were six SCDP projects that were in all different phases of completion. These projects are for the Cities of Grove City, Cosmos, Sacred Heart, Sunburg, New London, and Stewart. Renville and Buffalo Lake are two additional cities that just received SCDP funding that the Commission will also administer. Funding for the program comes from the U.S. Department of Housing and Urban Development (HUD) and is administered at the State level by the Minnesota Department of Trade and Economic Development (DTED).

The Cities of Grove City, Cosmos, Sacred Heart, and Renville all have received SCDP funds for providing housing rehabilitation to low and moderate income households. The Cities of Stewart and Buffalo Lake have received SCDP funds for both housing rehabilitation and public facilities improvements. The Cities of Sunburg and New London received SCDP funds for public facilities projects.

The MMDC provides this SCDP grant administration service to provide funded communities with experienced grant administrators and rehabilitation specialists. The contracted assistance relieves the local units of government from the staggering amount of required paperwork. The MMDC has two employees that are State Certified Building Officials and are trained in the necessary rehabilitation standards that are used for the program. Other MMDC staff are involved in the financial and project administration of the program.

The MMDC also provides annual assistance to the City of Hutchinson HRA's Housing Rehabilitation Program which provides housing rehabilitation financial assistance throughout McLeod County. The Hutchinson HRA provides this assistance with funding through the Minnesota Housing Finance Agency (MHFA). The MMDC provides the necessary building inspection and work write-up services for the program.

Transportation Planning and Assistance

The Mid-Minnesota Development Commission receives an annual grant from the Minnesota Department of Transportation, matched with the local tax levy, to provide transportation planning services within the region's four counties and for participating 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 activities of deciding which projects shall receive Federal funding through the State's Transportation Improvement Program. MMDC's voting member, Sheldon Nies, is the current ATP Chairperson. The TAC scores projects on their "regional significance" as part of the ATP's project ranking process. The Commission also holds an annual public informational meeting on the proposed Area Transportation Improvement Program. Staff provides assistance for these activities as well as serving on an ATP Committee that makes Enhancement Project funding recommendations. During this past fiscal year, staff have actively been working with MnDOT and Region 6W and Region 8's TACs. This activity will be continued into the current fiscal year.

During the past fiscal year, the Commission also was active in the following transportation activities:

⇒ Staff represented the Commission on the Technical Advisory Committee of the Glencoe Area Transportation Study. The Commission supplied a variety of demographic data and road functional classification data.

The study is being jointly funded by the City, McLeod County and MnDOT.

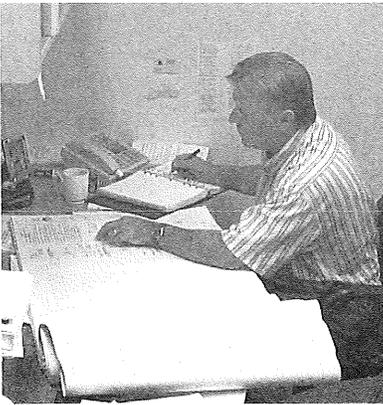
- ⇒ Staff have given assistance to the development and operation of the Kandiyohi Area Transit (KAT) program. Staff currently serves as an ex-officio member to the KAT Operations Board. Staff chaired a sub-committee that selected KAT's office space and ordered all the necessary office equipment and furniture. In addition, staff has created maps showing the bus routes and helped to create a layout for the future KAT bus garage.
- ⇒ Staff continues to be a member of the Welfare-to-Work Transportation Sub-Committee. The committee recommends and oversees transportation projects that aid in helping people on welfare find and keep employment opportunities. The Heartland Community Action Agency, who has taken on the project administration duties for these transportation programs, has won awards this past year for the innovative and successful revolving car loan fund programs that the committee designed.
- ⇒ Staff assisted the District State Aid Engineer with data for a Minnesota River Crossing Study. Staff participated on the Technical Advisory Committee that was formed for this study.
- ⇒ Staff has continued to work with MnDOT to process Functional Classification changes on a case-by-case basis.
- ⇒ Staff has assisted community development department staff with researching and preparing the sections of comprehensive land use plans that deal with transportation issues. This has been done for several city comprehensive land use plans and the Meeker County comprehensive plan.

State Certified Building Inspection Services

The Mid-Minnesota Development Commission has two fully State Certified Building Officials on its staff who provide inspection and plan review services for communities who have adopted the State Building Code. This past year the program has gone through a major expansion, serving a number of new communities and hiring a second building

inspector. The State Building Code sets construction

standards to assure the health, safety, comfort and security of building occupants. In Fiscal Year 2000, the MMDC had ongoing contracts with the following communities in providing this service: Atwater, Blomkest, Fairfax, Grove City, Brownton, Kandiyohi, Pennock, Stewart, Paynesville, and Dovre Township. The Commission also provides services to the City of Litchfield for commercial buildings and plan review. At least two other communities will be added to this list of contracts in early Fiscal Year 2001. Additional inspections are being made in the communities of Buffalo Lake, Stewart, Sacred Heart, Hector, Lake Lillian, Brownton, and Cosmos under the State Hazardous Building Act. Staff also provide accessibility inspections on occasion for Renville and Meeker Counties.



Economic Development Assistance and Revolving Loan Fund

The Mid-Minnesota Development Commission's Economic Development Program is designed to assist local units of government and business in the region with activities that create or support the creation of jobs and investment. Program activities are funded by a grant from the United States Department of Commerce, Economic Development Administration, and the local tax levy. The Commission operates a \$1.3 million Revolving Loan Fund within the region's four counties. Two separate advisory committees assist the Commission with the economic development activities. The first provides recommendations to the Commission on the priorities and goals of economic development in the region. The second advisory committee provides review and recommendations on the Commission's Revolving Loan Fund.

A major portion of the staff time in economic development is devoted to technical assistance and administering the Revolving Loan Fund. Businesses, individuals and government units can request and receive economic development technical assistance. Requests range from business assistance information to business finance analysis, infrastructure improvements, tax increment financing, and grant and loan application completion.

The Revolving Loan Fund was established to assist businesses within the region with gap financing. Businesses must be deemed viable and involve job creation or retention. Loans are made for working capital, land, construction, and equipment. The amounts given out as loans range from \$5,000 to a maximum of \$100,000. The Revolving Loan Fund was originally capitalized through primarily Economic

Development Administration funds, but also from funds from the four counties, the State of Minnesota, the Southwest Minnesota Foundation, and from the Mid-Minnesota Development Commission.

Economic development activities during the past fiscal year include:

- ◇ Assistance given to the Elder Workforce Grant.
- ◇ Revolving Loan Fund activities (seven loans; total amount lent \$388,000).
- ◇ Assistance on School-to-Work Partnership Career Fair.
- ◇ Prepared Economic Development Administration planning grant application.
- ◇ EDA Comprehensive Economic Development Strategy.
- ◇ Administration of DTED Micro-Enterprise Technical Assistance grant program.
- ◇ Business Retention and Expansion partner - City of Winsted.
- ◇ Technical assistance and planning partnership with the following entities: Kandiyohi County Economic Development Partnership, Meeker County Development Corporation, Renville County Economic Development Commission, Ridgewater College Small Business Management Advisory Committee, Southwest Minnesota Technology and Telecommunications Project, Minnesota Department of Trade and Economic Development.
- ◇ Developed Financial Assistance Directory which lists financial assistance sources for small businesses.
- ◇ Partner with Minnesota Planning to sponsor a regional "Listening Post" meeting.

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