

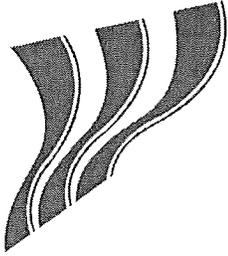
CITY OF WILLMAR

**COMMUNITY DEVELOPMENT COMMITTEE MEETING
4:45 PM, THURSDAY, JULY 28, 2016
CONFERENCE ROOM #1
CITY OFFICE BUILDING**

**Chair: Rick Fagerlie
Vice Chair: Andrew Plowman
Members: Tim Johnson
Audrey Nelsen**

AGENDA

1. Meeting Called to Order
2. Public Comment
3. Industrial Park Land Sale
4. Mall Tax Abatement Proposal
5. Plan Review Fees
6. Curling Club Facility
7. Railroad Wye Update
8. Old Business
9. New Business
10. Adjourn



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

COUNCIL ACTION REQUEST

DATE: July 28, 2016

SUBJECT: Industrial Park Land Sale

RECOMMENDATION: To approve the sale of the property as proposed.

BACKGROUND: The City has received a proposal by a local technology service company to purchase Lot 1 of Block 4, Willmar Industrial Park Fourth Addition. It is currently located outside of the City of Willmar, and the business employee's six fulltime employees, and one part-time employee that are all paid salaries in excess of the City's stated \$12.00 per hour requirement. The company has requested that the City utilize the Industrial Land Write-Down Policy. They estimate their building cost for a 4,800 square foot office/shop to be \$250,000-\$300,000. The company is offering to pay \$28,000 for the property. Including the land write-down, the offered price would exceed the City's asking price. The company would like to begin construction as soon as possible and welcomes the opportunity to relocate the business to Willmar.

FINANCIAL CONSIDERATION: The City would be paid \$28,000 for the lot. The list price for the property without any write-down deductions would be \$78,110. Under the proposal the City would be writing down approximately \$50,000, which is less than the maximum that could be written down under the policy.

LEGAL: There are no particular legal issues with this transaction proposal. Due to the small size of the write-down, it doesn't qualify as a business subsidy so no business subsidy agreement is required by the State.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

Proposal for Lot 1 Block Four in Willmar's Industrial Park Fourth Addition

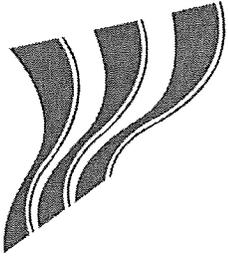
I am the owner of a growing Technology Service Company looking to build a new office and shop in the Willmar area. My current business is located outside of the Willmar city limits. I am exploring several locations in and around Willmar. I am interested in the Industrial Park Fourth Addition and the positive business opportunities that are presented.

My business has six fulltime employees and one part-time employee that earn \$12.00 or more an hour. These employees and their salaries qualify this business for the city's land write down program. The estimated cost to build our 4,800 sq. ft. office and shop is \$250,000-\$300,000.

I am offering \$28,000.00 for Lot #1, Block 4 in Willmar Industrial Park Fourth Addition. With the land write down using six employees, this offer exceeds \$1.25 a square foot. I have read and agree to the covenants assigned to this property. Included with this proposal is a site drawing of our office and shop proposal on Lot 1, Block 4.

I am eager to begin building as soon as possible. My goal is to have the building structure up and enclosed before winter. With this timeline, breaking ground and building will need to begin August-September 2016.

I look forward to the opportunity to re-locate my business to Willmar's Industrial Park. I believe this will allow my company to grow and will also benefit the Industrial Park by establishing new businesses in Willmar.



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

COUNCIL ACTION REQUEST

DATE: July 28, 2016

SUBJECT: Mall Tax Abatement Proposal

RECOMMENDATION: To provide an abatement in a format negotiated by, and acceptable to, the Council.

BACKGROUND: Rock Step Capital Inc. recently purchased the Kandi Mall property. They are proposing improvements to the former K-Mart portion of the mall, as well as constructing another satellite building. They are estimating that there will be over \$5 million invested into the two projects. They are requesting tax abatement for a 10-year period to offset the increase in taxes resulting from the upgrades, as well as from the market rate increase that resulted from the sale of the property. Representatives of Rock Step Capital will be available at the Committee meeting to discuss the proposal.

FINANCIAL CONSIDERATION: It is being proposed that the City abate approximately \$375,000 in real estate taxes over a 10 year period, with a 100% abatement on the upgrades and market rate adjustment for years 1-8, and an 80% abatement for years 9-10.

LEGAL: The City has the legal authority to enter into such an abatement agreement. Because of the size and scope of the tax abatement, a business subsidy agreement will need to be drafted and entered into detailing the responsibilities of all parties.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

TAX ABATEMENT APPLICATION FORM

1 Applicant: Rockstep Willmar LLC _____
Company Name: RockStep Capital Inc. _____
Address: 1605 First Street South Willmar, MN 56201 _____
Contact Person: John Vornholt _____
Telephone Numbers: (work) 320-235-6717 (cell) 320-295-3100
Corporation Partnership Sole Proprietor Cooperative
Other _____
Type of Business: Shopping Center _____
Primary Product(s)/Service(s): Retail _____

3. Tax Parcel ID No. 95-923-8640, 95-923-8632, 95-923-8631
Legal Description of Site: See attached.

Township: Willmar School District: Willmar

4. Project Description: Redevelopment of the vacant K-Mart Building (91,181 sf), Construction of a new retail pad (6,500 sf), parking lot improvements and new additional new pylon signs _____

5. Size of Proposed Structure or Expansion: 91,181 sf for redevelopment of K-Mart and 6,500 sf for new retail pad _____

6. Estimated project costs:

- a. Land acquisition \$ _____
- b. Site development \$ _____
- c. Building cost \$ +/- \$3,500,000 for K-Mart redevelopment
Building cost \$ +/- \$1,150,000 for New Retail Pad
- d. Architectural/Engineering fee \$ +/- 350,000
- e. Legal fees \$ +/- \$250,000
- f. Off-site development costs \$ _____

g. Other _Brokerage Fees_____ \$ _____ +/- \$250,000_____

Other _Parking Lot Repairs and New Signs\$ _____ +/- \$1,000,000_____

Total: \$ _____ 6,500,000_____

7. Employment: Current: ___200___ Employees 3-year projection: _____260_____ Employees

Payroll: Current \$ _____5,000,000_____ 3-year projection \$ _____6,250,000_____

8. Project Financing Sources and Amounts:

a. Private financing institution \$ _____3,500,000_____

b. Tax abatement funds \$ _____1,500,000_____

c. Other public funds \$ _____

d. Developer equity \$ _____1,500,000_____

Total: \$ _____6,500,000_____

9. Describe the financing gap to be filled by the abatement: _____Proportional for all work_____

10. Amount of Abatement Requested: \$ _____1,500,000_____ * see below

*includes \$2,200,000 of added value based on assessed value from taxes payable in 2016 to 2017

11. Term of Abatement Requested (years):

Years 1-4 _____100_____ %

Years 5-8 _____100_____ %

Years 9-10 _____80_____ %

12. Financial Institution(s) (Applicant's Affiliation):

Name Bremer Bank_____ Address 500 Willmar Ave SE Willmar, MN 56201_____

Contact Person Darin Strand Telephone 320-231-8120_____

Name _____ Address _____

Contact Person _____ Telephone _____

13. Fiscal Consultant/Accountant:

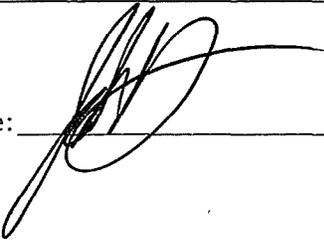
Name Ehlers and Associates Address 3060 Centre Point Drive Roseville, MN 55113

Contact Person Todd Hagen Telephone _____651-697-8508_____

14. Legal Counsel:

Name _____ Address _____

Contact Person _____ Telephone _____

Applicant Signature:  _____

Date: 7-7-16

INFORMATION REQUESTED: An Addendum shall be attached hereto addressing in detail the following:

1. A map showing the exact boundaries of proposed development.
2. A general description of the project, including size and location of building(s); business type or use; traffic information, including parking, projected vehicle counts and traffic flow; timing of the project; and estimated market value following completion.
3. The existing land use designation and zoning of the property, including a statement as to how the proposed development will conform to the land use designation.
4. A statement identifying how the increment assistance will be used and why it is necessary to undertake the project.
5. A statement identifying the public benefits of the proposal, including estimated increase in property valuation, new jobs to be created, hourly wages and other community assets.
6. A written description of the developer's business, principals, history and past projects.

PLEASE INCLUDE:

1. Preliminary financial commitment from financial institution.
2. Plans and drawing of the project.
3. Background material of the company.
4. Pro forma analysis.
5. Financial statements.
6. Statement of property ownership or control.

Information for Internal Use:

Date Application Submitted: _____

Date Presented to Kandiyohi County Board: _____

Public Hearing Held by Kandiyohi County Board: _____

Date Presented to City Council or Township Board: _____

Public Hearing Held by City or township: _____

Date Presented to School Board: _____

Public Hearing Held by School Board: _____

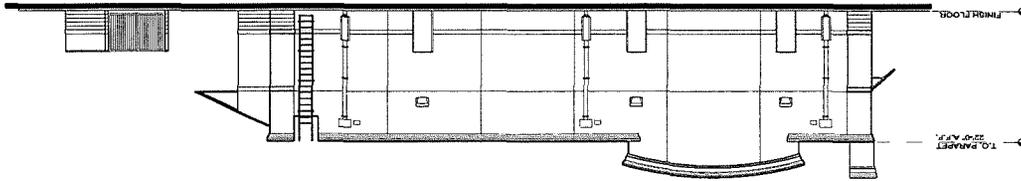
KANDI MALL REDEVELOPMENT PROJECT



Imagery ©2016 Google, Map data ©2016 Google 200 ft



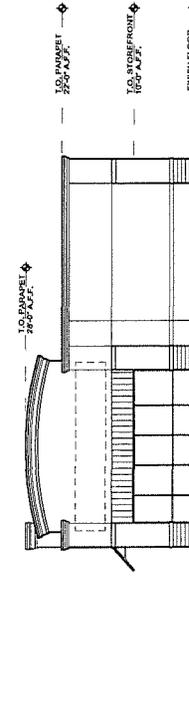
01 EAST ELEVATION
SCALE: 3/32" = 1'-0"



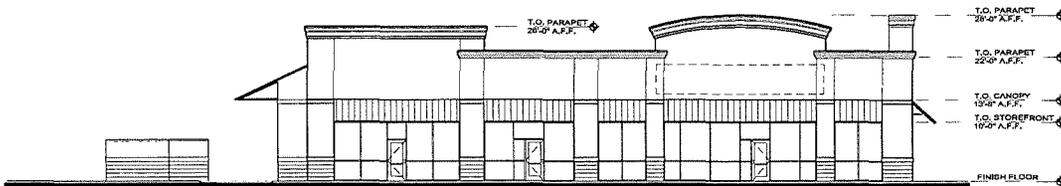
99.44'
PROPOSED RETAIL
6,500 SF

1,800 SF
1,200 SF
3,500 SF
27.13' 18.46' 53.85' 65'

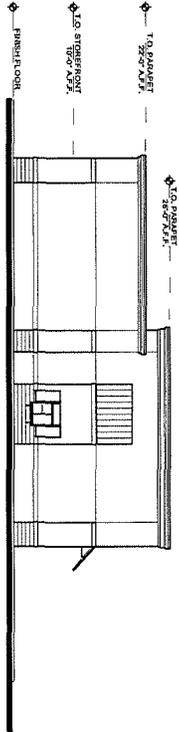
03 SOUTH ELEVATION
SCALE: 3/32" = 1'-0"



01 WEST ELEVATION
SCALE: 3/32" = 1'-0"



02 NORTH ELEVATION
SCALE: 3/32" = 1'-0"



KANDI MALL REDEVELOPMENT PROJECT

Kandi Mall is a regional shopping center. It is not only the largest shopping center in Willmar but is also the largest shopping center in our trade area which consists of approximately 80,000 people.

Kandi Mall is in need of significant upgrades to attract National name brand tenants. RockStep Capital with its recent purchase of Kandi Mall is committed to making \$6,500,000 in upgrades and redevelopments. In order for this project to be cost effective tax abatement is critical.

The redevelopment would add up to an additional 60 jobs to the local community along with a number of national name brand stores. The abatement funds would be used to redevelop the existing vacant K-Mart building and to add an additional outparcel building that would host three tenants. Money would also be used to make upgrades to the parking lot and add additional tenant signs to the front of the property.

This property is currently zoned SC Shopping Center District.



500 Willmar Avenue Southeast
Willmar, Minnesota 56201
phone: 320-235-1111
fax: 320-231-8149
Bremer.com

July 14, 2016

Kandiyohi County Economic Development Commission
222 20th Street SE
Willmar MN 56201

Re Rockstep Willmar LLC

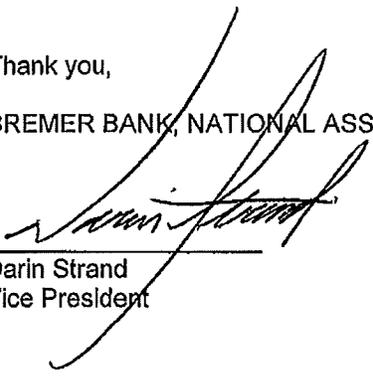
To whom it may concern,

In 2015, Bremer Bank entered into a banking relationship with Rockstep Capital and related Rockstep entities to finance the acquisition of the Kandi Mall located in Willmar, MN. Their historical performance on projects of similar size, backed by personal referrals and financial performance, made this an ideal relationship for Bremer Bank.

In addition to the acquisition financing, Bremer has made available to Rockstep, a credit line to assist in the redevelopment and construction of new space in and around the existing facility.

Thank you,

BREMER BANK, NATIONAL ASSOCIATION



Darin Strand
Vice President



RockStep Tax Abatement - Kandi Mall Rehabilitation Project

Kandiyohi County/City of Willmar EDC, Minnesota

91,181 SF Rehab Existing Retail/6,500 SF New Retail/MV Increase - All Entities Participate

ASSUMPTIONS AND RATES

DistrictType:	Abatement	Current Total Local Tax Rate:	116.9050%	Pay 2016
First Year Construction or Inflation on Value	2016	Current CityTax Rate	34.8540%	Pay 2016
Inflation Rate - Every Year:	0.00%	Current County Tax Rate	56.1830%	Pay 2016
Interest Rate	0.00%	Current School District No. 347 Tax Rate	23.7480%	Pay 2016
Present Value Date:	1-Aug-17	Current Other Tax Rate	2.1200%	Pay 2016
First Period Ending	1-Feb-18	State-wide Tax Rate (Comm./Ind. only used for total taxes)	48.6410%	Pay 2016
Cashflow Assumes First Abatement	2018	Market Value Tax Rate (Used for total taxes)	0.13991%	Pay 2016
Assumes Last Year of Abatement	2027			
Fiscal Disparities Election [Inside, Outside or NA]	NA			
Incremental or Total Fiscal Disparities	Incremental			
Fiscal Disparities Contribution Ratio	0.0000%	Pay 2016		
Fiscal Disparities Metro-Wide Tax Rate	0.0000%	Pay 2016		
Term of City Abatement	10			
Term of County Abatement	10			
Term of School District Abatement	10			
School District No.	347			
Total Years of Abatement:	10			

PROPERTY TAX CLASSES AND CLASS RATES:	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	0.75%
Non-Homestead Residential (Non-H Res.)	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map #	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/Phase
1	95-923-8640	RockStep	Willmar			8,925,600	0%	0	Pay 2016	C/I Pref.	-	C/I Pref.	-	1
1	95-923-8632	RockStep	Willmar			205,400	0%	0	Pay 2016	C/I	-	C/I	-	1
1	95-923-8631	RockStep	Willmar			196,800	0%	0	Pay 2016	C/I	-	C/I	-	1
									0		0		0	

Note:

1. Base values are based upon review of county website on July 7, 2016.



RockStep Tax Abatement - Kandi Mall Rehabilitation Project
 Kandiyohi County/City of Willmar EDC, Minnesota
 91,181 SF Rehab Existing Retail/6,500 SF New Retail/MV Increase - All Entities Participate

PROJECT INFORMATION (Project Tax Capacity)												
Area/Phase	New Use	Estimated	Taxable	Sq. Ft./Units	Market Value	Property Tax Class	Project Tax Capacity	Percentage Completed 2016	Percentage Completed 2017	Percentage Completed 2018	Percentage Completed 2019	First Year Full Taxes Payable
		Market Value Per Sq. Ft./Unit	Market Value Per Sq. Ft./Unit									
1	Rehab Existing	38	38	91,181	3,500,000	C/I	70,000	100%	100%	100%	100%	2018
2	New Use	177	177	6,500	1,150,000	C/I	23,000	100%	100%	100%	100%	2018
3	MV Increase	2,072,200	2,072,200	1	2,072,200	C/I	41,444	100%	100%	100%	100%	2018
TOTAL					6,722,200		134,444					
Subtotal Residential				0	0		0					
Subtotal Commercial/Ind.				97,682	6,722,200		134,444					

Note:

1. Market values represent construction costs from developer on July 7, 2016 and estimated increase in existing value from county assessor from PAY 2016 to 2017. Market values must be confirmed by county assessor.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Rehab Existing	70,000	0	70,000	81,834	0	34,049	4,897	120,779	1.32
New Use	23,000	0	23,000	26,888	0	11,187	1,609	39,685	6.11
MV Increase	41,444	0	41,444	48,450	0	20,159	2,899	71,508	71,508.10
TOTAL	134,444	0	134,444	157,172	0	65,395	9,405	231,972	

Note:

1. Taxes and abatement will vary significantly from year to year depending upon values, rates, state law and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM ABATEMENT?	
Total Property Taxes	231,972
less State-wide Taxes	(65,395)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(9,405)
Less Small Taxing Jurisdiction Taxes	(2,850)
less Base Value Taxes	0
Annual Gross Maximum Tax Abatement	154,322



RockStep Tax Abatement - Kandi Mall Rehabilitation Project
 Kandiyohi County/City of Willmar EDC, Minnesota
 91,181 SF Rehab Existing Retail/6,500 SF New Retail/MV Increase - All Entities Participate

Project Tax Capacity	Captured Tax Capacity	Combined City, County, & School Tax Rate	Maximum Annual Gross Tax Abatement	Semi Annual Gross Tax Abatement	100% City	80% City	100% County	80% County	100% School	80% School	Semi Annual Net Tax Abatement	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
					Abatement w/ Tax Rate 34.8540%	Abatement w/ Tax Rate 34.8540%	Abatement w/ Tax Rate 56.1830%	Abatement w/ Tax Rate 56.1830%	Abatement w/ Tax Rate 23.7480%	Abatement w/ Tax Rate 23.7480%					
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	77,161	0.5	2018	08/01/18
				77,161	23,430	-	37,767	-	15,964	-	77,161	154,322	1	2018	02/01/19
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	231,482	1.5	2019	08/01/19
				77,161	23,430	-	37,767	-	15,964	-	77,161	308,643	2	2019	02/01/20
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	385,804	2.5	2020	08/01/20
				77,161	23,430	-	37,767	-	15,964	-	77,161	462,965	3	2020	02/01/21
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	540,125	3.5	2021	08/01/21
				77,161	23,430	-	37,767	-	15,964	-	77,161	617,286	4	2021	02/01/22
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	694,447	4.5	2022	08/01/22
				77,161	23,430	-	37,767	-	15,964	-	77,161	771,608	5	2022	02/01/23
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	848,768	5.5	2023	08/01/23
				77,161	23,430	-	37,767	-	15,964	-	77,161	925,929	6	2023	02/01/24
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	1,003,090	6.5	2024	08/01/24
				77,161	23,430	-	37,767	-	15,964	-	77,161	1,080,251	7	2024	02/01/25
134,444	134,444	115%	154,322	77,161	23,430	-	37,767	-	15,964	-	77,161	1,157,412	7.5	2025	08/01/25
				77,161	23,430	-	37,767	-	15,964	-	77,161	1,234,572	8	2025	02/01/26
134,444	134,444	115%	154,322	77,161	-	18,744	-	30,214	-	12,771	61,729	1,296,301	8.5	2026	08/01/26
				77,161	-	18,744	-	30,214	-	12,771	61,729	1,358,030	9	2026	02/01/27
134,444	134,444	115%	154,322	77,161	-	18,744	-	30,214	-	12,771	61,729	1,419,758	9.5	2027	08/01/27
				77,161	-	18,744	-	30,214	-	12,771	61,729	1,481,487	10	2027	02/01/28
Total		0.00%		1,543,215	374,873	74,975	604,277	120,855	255,422	51,084	1,481,487				
				1,543,215	374,873	74,975	604,277	120,855	255,422	51,084	1,481,487				

DRAFT SCHEDULE OF EVENTS

KANDIYOHI COUNTY/CITY OF WILLMAR EDC CITY OF WILLMAR WILLMAR PUBLIC SCHOOLS – ISD 347 AND KANDIYOHI COUNTY, MINNESOTA

FOR THE PROPOSED ESTABLISHMENT OF A PROPERTY TAX ABATEMENT PROGRAM FOR THE KANDI MALL REHABILITATION PROJECT

AND THE GRANTING OF A BUSINESS SUBSIDY TO THE DEVELOPER

Draft as of July 15, 2016

- July 8, 2016 Project information (property identification numbers, detailed project description, but/for statement and a list of sources and uses of funds for drafting necessary documentation) sent to Ehlers.
- July 11, 2016 Ehlers conducts internal review of Tax Abatement Program.
- July 14, 2016 EDC requests that the City Council and the County Board call for a public hearing on the proposed establishment of a Property Tax Abatement Program for the Kandi Mall Rehabilitation Project.
- July 28, 2016 Property Tax Abatement request sent to the City Council's Community Development Committee.
- August 1, 2016 Representatives from the EDC and the Developer speak with the City Council about the proposed project.
- City Council calls for a public hearing on the proposed establishment of a Property Tax Abatement Program for the Kandi Mall Rehabilitation Project.
- City Council Calls for a public hearing on a Business Subsidy Agreement.
- August 2, 2016 Representatives from the EDC and the Developer speak with the County Commissioner representing the City of Willmar about the proposed project.
- County Board calls for a public hearing on the proposed establishment of a Property Tax Abatement Program for the Kandi Mall Rehabilitation Project.
- County Board calls for a public hearing on a Business Subsidy Agreement.

DRAFT SCHEDULE OF EVENTS – PAGE THREE

KANDIYOHI COUNTY/CITY OF WILLMAR EDC CITY OF WILLMAR WILLMAR PUBLIC SCHOOLS – ISD 347 AND KANDIYOHI COUNTY, MINNESOTA

FOR THE PROPOSED ESTABLISHMENT OF A PROPERTY TAX ABATEMENT PROGRAM FOR THE KANDI MALL REHABILITATION PROJECT

AND THE GRANTING OF A BUSINESS SUBSIDY TO THE DEVELOPER

- September 12, 2016 School District holds public hearing at 4:30 PM on the establishment of the Property Tax Abatement Program, and adopts resolution approving the Program. *[Ehlers will send Board packet information to the County via email by or on September 2, 2016.]*
- School Board approves the Business Subsidy Agreement with the developer.
- September 30, 2016 City, School District, and County must add to their levy the total estimated amount of all current year abatements granted. The levy is not subject to any levy limits that apply to the County, School District, and City.



RockStep Capital is a Real Estate Investment Company based out of Houston, Texas.. RockStep, founded 19 years ago, specializes in structuring investments in shopping centers that are over 100,000 square feet and focuses on secondary and tertiary markets. We look for strong communities with underdeveloped properties that are undercapitalized or undermanaged. RockStep currently operates in nine states with holdings in ten shopping centers and eight shopping malls consisting of approximately 3.5 million square feet. RockStep Capital's mission is to improve the quality of life in small town America. Using our expertise and capital we help keep the community vibrant by re-strategizing the mall with new tenants, opportunities and experiences.

We get small towns. We get retail.

Properties:

Shopping Centers:

Alpine, Alpine TX
East Wood Shopping Center, Cleveland TX
Fort Stockton, Fort Stockton TX
El Dorado, Friendswood TX
Kemah, Kemah TX
St. Landry's Plaza, Opelousas LA
Plaquemine, Plaquemine LA
Starkville, Starkville MS
Cobre Valley Shopping Center, Globe AZ
Vicksburg Plaza, Vicksburg MS

Shopping Malls:

Vicksburg Mall, Vicksburg MS
Hot Springs Mall, Hot Springs AR
Bonita Lakes Mall, Meridian MS
Hutchinson Mall, Hutchinson KS
Monument Mall, Scottsbluff NE
Aberdeen Mall, Aberdeen SD
Thunderbird Mall, Virginia MN
Kandi Mall, Willmar MN





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Monument Mall gets second life under new owners

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Posted: Friday, March 4, 2016 7:00 pm

By MAUNETTE LOEKS Digital News Editor mloeks@starherald.com

onument Mall has once again become the place to be on Saturdays.

Over the last year, Monument Mall has seen a lot of new development. Tera Willman, property manager, said.

M "The foot traffic on Saturdays has improved so much," Willman said.

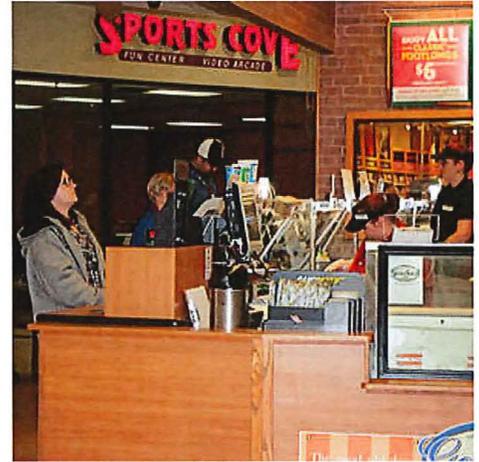
In recent years, the mall had experienced some struggles. However, as it celebrates its 30th anniversary, new owners focused on redeveloping the mall have brought new life.

Willman oversees local operations of Monument Mall and has seen it in its heyday and beyond. Just a couple months after Willman started as marketing manager at Monument Mall in August 2002, Walmart left, moving across town to another location. Prior to Walmart's move, Willman said, the mall was 95 percent occupied.

"I have seen the mall at its peak — with Walmart here — and I've seen — at first not so fast — it gradually decline," Willman said. Some businesses, like Radio Shack, left the mall because their leases included riders that they could be terminated if Walmart left. Other stores left as their leases expired and foot traffic slowed.

"Some of the stores (that left) were dependent on the foot traffic that Walmart brought in," she said. "With so many stores leaving, people were wanting to come in for next to nothing and you can't do that."

In 2002, the mall was owned by Rubloff Development Group and a new group, Perkins Properties, purchased the mall in 2006. The company, owned by Michael Perkins, based out of Omaha, bought other properties including some in Rapid City, South Dakota. However, a lack of new tenants at the mall and declining property conditions meant the mall was only a shadow of its former self.



MAUNETTE LOEKS/Star-Herald

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Over the years, the mall has battled a number of different obstacles in the retail field, Willman said. Though Scottsbluff is cited as a regional shopping hub, many companies want to know the direct population and customer base of a community and don't consider Scottsbluff to be of adequate size. The community also is not located along an interstate, though Willman mentioned that completion of the Heartland Expressway would greatly help the mall.

"It is part of the struggles of finding new tenants," Willman said, noting that national tenants particularly have specific criteria the companies consider in selecting a location.

Industry trends are also something that the mall continues to have to work around.

"Enclosed malls are, in a lot of ways, becoming a thing of the past," Willman admits, noting the industry trend to "lifestyle malls" that are open groupings of stores.

Two years ago, RockStep Capital purchased the mall. RockStep Capital is a real estate investment company based in Houston, Texas, and founded 19 years ago. President Andy Weiner explains that the company specializes in structuring investments in shopping centers and secondary and tertiary properties.

"We look for strong communities with underdeveloped properties — properties that were undercapitalized or under managed," Weiner said.

RockStep Capital operates in nine states and has purchased or developed over 6 million square feet of shopping centers, he said.

"Our mission as a company is to make the secondary markets better places and we do that by putting in our expertise and our capital to basically stabilize these properties, bring in new tenants and structure them to be long-lasting for the 21st century," Weiner said.

Since RockStep Capital purchased the property, the mall has been going through a revitalization. The owners presented a redevelopment plan to the City of Scottsbluff and tax-increment financing and a half-cent enhanced employment occupation tax will help spur development at the property.

When RockStep Capital purchased Monument Mall, Weiner said, it was 60 percent vacant.



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Footwear and Applebee's — have brought new *life to the mall*. They are the lifeblood of the mall, especially as it competes *with other locations*, in and out of the community.

Tweet

"Our main draw is the national tenants," Willman *The more national tenants we have, the more people.*

0

Rue 21 was the first new national tenant in Nov '14 **G+1** and Famous Footwear and Applebee's joined the mall scene *in November* 2015. The opening of national tenants "has increased our *traffic* **2** *h*," she said. "All of the stores are doing fairly well."

The success of national tenants shows they *can be successful* in the region, Weiner said. RockStep had targeted adding 10 new national and local tenants over a three-year period and has exceeded its goals.

"We have greatly exceeded our expectations for this property," he said. "The actual sales for all of these (national tenants) have exceeded projected sales and we are pleased."

National tenants are critical to stabilizing the property and validating the market for other tenants who may be on the fence about locating in the area, Weiner said. National tenants invest millions of dollars into their locations. Absent any national decline in the economy, he expects that RockStep will continue to be able to add more major retailers and restaurants to Monument Mall. RockStep also expects to see some outparcels constructed in front of the property within the next 24 months.

"We have reduced the need for shoppers to leave the region for their shopping needs ... The highlights are that it is a very steady market, it has a good really strong and loyal customer base. It is very difficult time wise and commuting cost wise (for customers) to shop in alternative locations. If they (national tenants) come here and have the right occupancy cost, which we

have given them, they can be profitable.”

Mall managers continue to focus on trying to fill three large store sites — the former Sears location, former JCPenney location and 10,000 square feet that remains open on the other side of Hobby Lobby.

In some of its properties, RockStep has been successful in locating office space, community colleges, medical office groups and other non-retail companies. Multi-use properties work very well for spaces such as Monument Mall, he said.

Willman oversees the recruitment and contracts of local tenants. Some of the tenants are opening up brand new locations, expanding or relocating. Hillman works with those tenants on their contracts and a RockStep Capitol manager works with national tenants. A lot goes on behind the scenes of a store opening at the mall, including working with the stores to offer incentives, making improvements, to bring them to the mall.



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brought some welcome additions to the mall for to eat. Hillman said she would also love to see : come to the mall, a kids toy store or kids' clothi same desires of shoppers who often comment Facebook page. Hillman also thinks a men's ck filling a gap that she has seen in the community Clothing Store and other stores in the communi

g to grab a bite clothing stores ioing some of the ment Mall's ould do well, osing of Eric Vath e years.

Tweet 0 G+1

“There is still stuff to be done,” Willman said. “It will be in steps ... but a lot of great things have

2 n all at once. It ing here.”

On Facebook, some have generated interest fc mall and Weiner said that part of RockStep's st ay area at the :h of its properties is to provide activities and opportunities for children, especially because the area has inclement weather three to five months of the year. They are also interested in filling the mall common space with activities and he urged nonprofit organizations to contact Willman, whose professionalism and dedication to the mall and the community he praised.

Weiner praised the City of Scottsbluff and Platte Valley Bank in assisting Monument Mall as it moves forward in its redevelopment.

“(Purchasing Monument Mall) has been a wonderful experience for RockStep Capital,” he said. “The community is first class. It is very welcoming. It is very loyal. ... We would do it (purchase the mall) again in a heartbeat. We have more work to do, but we have had a great start.

IN CASE YOU MISSED IT...

ican National Convention, a contrast not just to the rhetoric of the campaign, but an evening of dire warnings about the security of the United States.

"Donald intends to represent all the people, not just some of the people. That includes Christians



Melania Trump

Melania Trump recounted

her on stage with a brief introduction in which he called her the "next first lady of the United States."

"I did not take the freedoms this country offers for granted," she said.

Her appearance followed that of former New York

away from biting comments.

Her closest moment of criticism came when she said, "Our country is underperforming and needs new leadership."

Instead, in her accented English, she sought to give assurances that Trump was

Republican National Convention erupts in turmoil, PAGE A2

you, he is the guy," she said. "He will never give up, and most importantly, he will never let you down."

She said that her husband "is tough and he has

she said. She didn't offer anecdotes, but said that "kindness, love and compassion" were "the values Donald and I would bring to the White House." Trump took the stage again with his wife, to the song "We Are the Champions."

Mall owners: Proposed improvements could bring big retail names to Willmar

By Shelby Lindrud
slindrud@wctrib.com

WILLMAR — A \$6.5 million construction project proposed at the Kandi Mall could result in more national retail chains setting up shop in Willmar, according to mall ownership.

Tommy Stewart, who works in property manage-

7/19/16
“The retailers we’re discussing are what people are asking for.”

JOHN VORNHOLT,
KANDI MALL MANAGER

ment and leasing for Kandi Mall’s owner RockStep Capital, presented plans Thursday to the Kandiyohi County and City of Will-

mar Economic Development Commission for a project to remodel the old Kmart space and construct new retail space along First Street.

Stewart also outlined a request for a 10-year, \$1.5 million tax abatement from Kandiyohi County, the city of Willmar and Willmar Public Schools.

“That is why we are here today, to ask for your consideration,” Stewart said.

The EDC’s operations board made a motion Thursday to recommend the city, county and school district consider participating in the abatement at whatever level each entity decides.

“I think that is a reasonable request,” said Economic Development Commission Director Aaron Backman.

MALL: Page A10



Briana Sanchez / Tribune

There is an empty store sign Monday outside of Kmart in the Kandi Mall in Willmar. The mall’s owner has proposed a project that would include remodeling the space Kmart last occupied in 2012.



ROCKIN' ROBBINS

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FOOD VENDORS • KIDS ACTIVITIES • ARTISAN MARKET

JUL 19 THE FABULOUS ARMADILLOS

AUG 16 JUSTIN PLOOF AND THE THROWBACKS

Opening act starts at 5 PM; headliner starts at 6:30 PM.



1:00 pm, Thursday, July 21st at Harvey Anderson Funeral Home in Willmar with visitation one hour prior to the service. Military Honors will be provided by American Legion Post #167. Burial will be at Fort Ripley Cemetery, Little Falls. Memorials may be given to Alzheimer's Association. www.hafh.org.



Herbert John Rieger was born March 2, 1926 in Meadow, South Dakota, the son of John and Pauline (Sonnenfeld) Rieger. They lived in Meadow, however, Herb attended school in Isabel, where he graduated from high school in 1945. He later attended business school at Nettleton Commercial College in Sioux Falls. Herb served in the US Navy during WWII. Following his discharge, he began his 41-year career with White Farm Equipment, a farm implement business. On October 6, 1952, Herb was united in marriage to Ruth Ann Kroening at Lake Auburn Church in Victoria, MN. This union was blessed with two children: Renee and Larry. Following their marriage, they lived in Minneapolis, Hampton, IA, Willmar, New Richmond, WI, and Chaska, prior to Herb's retirement in 1989, as a territory manager with White Farm Equipment, when they returned to Willmar.

Herb was baptized on July 11, 1926, and later confirmed his faith on July 6, 1941, at St. Paul's Lutheran Church in Meadow, South Dakota. Since moving to Willmar, Herb has been a member at Redeemer Lutheran Church in Willmar.

He was a life member of the American Legion and Veterans of Foreign Wars.

Surviving are his wife, Ruth of Willmar; and daughter, Renee (and Steve) Willems of Carver; six grandchildren: Nicole (and Aaron) Hopwood, Alana Rieger, Kate Willems, Jenna Willems, Adam Rieger, Hayley Rieger; and two great-grandchildren: Audrey and Ellis. Also surviving are his siblings: Robert (and Evelyn) Rieger of Lemmon, SD, Oscar (and Lorraine) of Rapid City, SD, Raymond Rieger of St. Paul, Lorraine Schafer of New Leipzig, ND; brother-in-law, Ernest Schafer of New Leipzig, ND; and his sister-in-law, Alice Rieger of Lemmon, SD.

He was preceded in death by his parents, son and daughter-in-law, Larry and Robin-Peck Rieger; brother, Henry and sisters: Elnora Kolb, Wilma Schopp, Virginia Doerr, and Viola Zimmerman.

CALENDAR

Tuesday, July 19

AA: 1805 E. Hwy. 12, 7:30 a.m.

Health Insurance Counseling: Rice Memorial Hospital, 9 to 11 a.m.

Active Older Adults coffee club: YMCA, 10 a.m. to 11:30, open to everyone.

TOPS: Willmar Community Center, 11:45 a.m.; 212-5530.

Cancer support group: Rice Memorial Hospital, 2:30 p.m.

Willmar Area Women of Today: YMCA, 7 p.m.

AA: Agape, Assembly of God Church, Willmar, 7 p.m.

VFW Ladies Auxiliary: VFW

project, along with abating the taxes coming from the increased value of the property after the mall's sale to RockStep.

RockStep, in partnership with RockStep Willmar LLC, bought the 44-acre mall property in October 2015 for \$14.1 million.

The mall originally had a market value of \$9.2 million but has now been re-evaluated to reflect the purchase price, raising the market value of Kandi Mall to \$11.4 million.

RockStep had approached the city and county for a reduction in the market value of the property, but was denied by both.

The full abatement, if approved, would mean the city, county, and school district would continue to collect all taxes on the \$9.2 million value, but not any additional value for the 10 years of the abatement.

The proposed mall project focuses on remodeling the old Kmart space, along with constructing a brand new retail space along First Street, between Tires Plus and the empty Pizza Hut building. The \$6.5 million project would be funded by private funding, owner equity and the potential tax abatement. Bremer Bank has agreed to be part of the project.

"They are committed fully to this project," Stewart said.

The project would take the 91,181-square-foot space on the south side of the mall, which has stood empty since Kmart closed in 2012, and divide it into three or four different retail spaces.

"It's a huge investment to redo that Kmart building," Stewart said.

The new retail building

they are said to be nationally recognized brands.

"The retailers we're discussing are what people are asking for," said Kandi Mall manager John Vornholt.

The mall had been in discussions with Hobby Lobby at one time, but the craft store decided to build its own store by Home Depot and Runnings.

"It really took us by surprise," Stewart said, adding that building a freestanding store is a big risk.

However, with the potential stores coming in, Stewart and Vornholt are not concerned.

"Missing out on Hobby Lobby is OK," Vornholt said, adding the potential new mall tenants will fit better and not directly compete with current stores.

"I think that is a good thing," Vornholt said.

Stewart said major mall projects like the one planned for Kandi Mall can take three to five years to be completed, when you include the time needed to enter into lease agreements with the retailers.

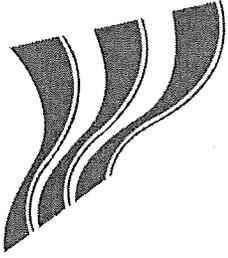
"These deals are very tough with these national guys," Stewart said.

Stewart said the plan is to have a portion of the project completed by the end of 2017, with the full project wrapping up after that.

New jobs being created by the project could reach 60, adding over \$1 million to the mall's payroll, Stewart said.

How much those jobs pay could be an issue for the city, Willmar Planning and Development Director Bruce Peterson said.

To approve a business subsidy, which this tax abatement would be, all new jobs must pay at least \$12 an hour.



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

COUNCIL ACTION REQUEST

DATE: July 28, 2016

SUBJECT: Plan Review Fees

RECOMMENDATION: To approve the increase in plan review fees from 40% of permit cost to 65% of permit cost.

BACKGROUND: At a previous meeting, the Council discussed a proposed increase in plan review fees for residential construction. The reason offered by staff for the increase was to follow through on previous action by the Council to increase the fee. This action was never followed through with. The 2015 construction and development fee report to the State of Minnesota shows that \$98,730 in plan review fees were collected by the City. Of this amount, there was roughly \$24,000 in residential plan review fees, this included new single family, new multi family, and all the permits for additions/alterations. The plan review fee was calculated against a construction value of approximately \$27.5 million dollars. Going from 40% to 65% with the plan review fee would have meant an additional \$12,000 in plan review fees collected by the City for 2015. This is not a significant amount, although it would have been approximately enough to balance out the revenues and expenses for building permit and inspection services.

FINANCIAL CONSIDERATION: The increased fee would have generate approximately \$12,000 additional in 2015.

LEGAL: There are no legal issues associated with this request. The building code provides for a 65% plan review fee and staff is requesting that the local fee schedule be consistent with the building code.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

MUNICIPAL CONSTRUCTION and DEVELOPMENT FEE REVENUE and EXPENSES ANNUAL REPORT

Reporting Period Ending December 31, 2015, as required by Minnesota Statute 326B.145

I. Municipality

Municipality Willmar	County Kandiyohi	Telephone No. (include area code) 320-235-8311
Address 333 SW 6th Street	City, State, ZIP Willmar, MN 56201	

II. Building Inspection Permits

	TYPE OF PERMIT	Number of Permits	Number of Units	Valuation
1.	New Single-Family Dwelling	12	12	\$3,498,000
2.	New Multi-Family Dwelling	5	10	\$1,564,000
3.	New Commercial / Industrial / Institutional	4	N/A	\$6,330,000
4.	Addition / Alteration	390	N/A	\$22,646,000
5.	Other	49	N/A	\$1,782,000

III. Fee Revenue And Expenses Associated With Building Permits And Inspections

FEE REVENUE			EXPENSES		
6.	Permit Fees	\$358,605	10.	Building Inspection Expenses	\$487,476
7.	Plan Review Fees	\$98,730			
8.	Other Fees	\$17,875			
9.	TOTAL FEE REVENUE	\$475,210			

IV. Fee Revenue And Expenses Associated With Development

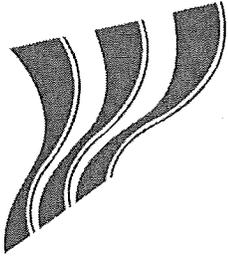
FEE REVENUE			EXPENSES		
11.	Administrative Fees	\$1,500	16.	Administrative Expenses	
12.	Engineering Fees		17.	Engineering Expenses	\$1,274,040
13.	Planning and Zoning Fees	\$11,215	18.	Planning and Zoning Expenses	\$105,128
14.	Other Fees		19.	Other Expenses	
15.	TOTAL FEE REVENUE	\$12,715	20.	TOTAL EXPENSES	\$1,379,168

V. Fee Revenue And Capital Expenditures Associated With Development-Related Infrastructure

FEE REVENUE			CAPITAL EXPENDITURES		
21.	Infrastructure Fees	\$8,825	25.	Infrastructure Expenditures	\$1,289,354
22.	Park Dedication Fees		26.	Park Expenditures	\$0
23.	Other Fees	\$0	27.	Other Expenditures	\$0
24.	TOTAL FEE REVENUE	\$8,825	28.	TOTAL CAPITAL EXPENDITURES	\$1,289,354

CERTIFICATION: I hereby certify the information contained herein to be an accurate representation of fees collected and expenses incurred.

Name/Title of Official Completing Form Bruce D. Peterson, Director of Planning & Development Services	Telephone No. (include area code) 320-235-8311	Date: 3/31/16	
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CITY OF WILLMAR

**Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311**

COUNCIL ACTION REQUEST

DATE: July 28, 2016

SUBJECT: Curling Club Facility

RECOMMENDATION: N/A

BACKGROUND: The Midwest Curling Association, also known as the Willmar Curling Club, has requested that the City participate in the development of new facilities for the club. A variety of options have been discussed with curling club members and among staff. Staff plans to meet July 25th to discuss this issue in detail and to generate some options for the Council to consider.

FINANCIAL CONSIDERATION: Each option carries with it a different proposed cost. It appears that the participation being sought from the City ranges from \$1million to \$2 million for the facility.

LEGAL: There are no apparent legal issues with the City participating in the development of a curling facility.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

MIDWEST CURLING ASSOCIATION



2016 U.S. Junior National Championships
Willmar Civic Center
Willmar, Minnesota

Making A Difference

INTRODUCTION

The greatest accomplishment of the Midwest Curling Association (a.k.a. Willmar Curling Club) is that it continues to change lives of ordinary people through curling. By way of this intergenerational sport/activity, people learn respect, teamwork and responsibility. Inter-personal skills and exposure to diversity are products of this lifelong sport which quite often transcends through family generations.

Since its inception in 2004, the organization has grown tremendously and today the leagues and programs started and facilitated by the Midwest Curling Association (M.C.A.) have touched the lives of more than 200 past and present members, plus an estimated 800 high school students. Over the years, the M.C.A. has introduced the sport to more than 1,500 people, comprising a community with a 60 mile radius by offering learn-to-curl and open curling sessions held on Saturday nights. Unfortunately, the Saturday night sessions have been dramatically eliminated as demand for ice time at the Willmar Civic Center increases. The impact of families, friends, and businesses effects far more than the 1,500 participants.

The Midwest Curling Association has annually fundraised for over 10 years, including their very successful Harley-Davidson Motorcycle Raffle. Over the years, this has enabled them to acquire the necessary assets to rent arena ice time, purchase five sets of curling stones, provide an inventory of footwear and curling brooms for use by anyone who needs them, and has invested in all the ice making equipment necessary for a dedicated facility operation. The M.C.A. also has one of the highest ratios of trained instructors to participants in the U.S., certified by the United States Curling Association, whose goal is to properly instruct beginner curlers.

The Midwest Curling Association has become well respected and nationally renowned in the curling world as “the club that can” in regards to hosting regional and national curling competitions. Beginning in 2009 with the Minnesota State High School Bonspiel, followed by the United States Mixed National Championship in 2013, and just recently in January of 2016, the United States Junior National Championships; the winners of that event continued on to win silver medals at the World Championships in Taarnby Denmark.

WHO ARE WE?

The Midwest Curling Association (M.C.A.) is a 501c3 non-profit organization dedicated to providing the region with the life-time sport and intergenerational recreation of curling. The M.C.A. continues to provide equipment, education and programs for approximately 130 adults, youth and disabled persons each season. These individuals learn and participate in curling at all levels.

Mission Statement

To provide the region with the opportunity to experience top rate curling for all adults, juniors, seniors and the disabled...

by providing well trained staff, top quality equipment and a state of the art curling facility...

with the purpose of satisfying the casual and advanced recreational curler, hosting curling events at all levels, and fostering Olympic level athletes.

Values

Curling is steeped in the valued traditions of honor, sportsmanship, teamwork and family. The Midwest Curling Association believes in the lifetime, intergenerational and adaptive nature of curling, and the importance that this all-inclusive winter activity has on the fabric of our community; their commitment remains steadfast in serving the local community with curling.

Vision

To transform the area into a nationally recognized regional curling center, and provide a place where competitive and recreational curlers alike can enjoy the game together, train at high levels, or casually socialize with friends and family in the like-minded activity of curling; all the while instilling positive values on the individuals and families in the area.

Strategic Focus

It starts with social responsibility and community involvement; strong youth, adaptive and senior programs are the roots to long term growth and sustainability for a dedicated curling facility. With these important programs in place already, the area is in a position to provide a competitive and recreational curling facility that is self-sustaining.

COMMUNITY NEEDS

Dedicated Ice

Available ice time for curling at the Willmar Civic Center, (which is designed for skating), has and will continue to decrease, due to the positive growth in participation for local hockey and figure skating. Curling also grows and thrives in a facility designed for curling; it provides for safe, ample and excellent curling conditions. Converting skating ice into curling ice is adequate for introducing curling to a community; however growth or even survival of curling in the future is impossible on limited, converted skating ice.



Vibrant and attractive communities are those that have sports and leisure options available for all people. Through great dedication, one can be a highly competitive, successful curler; and perhaps aspire to be

Sports & Leisure

a world-class Olympic athlete. It is possible for an M.C.A. curler, with a proper facility, to one day achieve this incredible goal. In addition, it's just plain fun. Curling is a non-gender specific, multi-generational, lifetime recreation with a strong history and tradition of family participation.



Curling provides the kind of teamwork, strategy and physical activity suited for family fun, youth development and high level individual and team competitors.

Diverse Participation

Due to the all-inclusive nature of curling, a curling facility needs to accommodate for a wide variety of participants; competitive, beginners, youth, recreational, adaptive for people with disabilities, seniors, men's, women's, couples, and whatever other group(s) the community has a need to satisfy. To schedule for such diversity, dedicated curling ice must be available 24/7 for the entire curling season.

Due to the all-inclusive nature of curling, a curling facility needs to accommodate



Safety is also an important need given this diverse participation. A dedicated curling facility is safer than converted arena ice for all curlers, especially for the beginner curlers; just due to the inherent nature of the "field of play" and the fact that it is designed specifically for curling, makes it a much safer environment for the curlers.

Safe Curling

Adaptive Activity

For persons with disabilities, finding activities to participate in can be difficult. Be it physical, intellectual or behavioral in nature, curling is proving to be increasingly adaptive for people with disabilities worldwide. Locally, the Midwest Curling Association has partnered with AIM of West Central Minnesota (formally ARC Kandiyohi County) to provide opportunities to get out and have fun with curling. Participants and family members alike will attest that this program has made a significant difference in their lives and that curling is a “quality of life” opportunity and activity for those with disabilities. The M.C.A. is a national leader in the development of these much needed programs, and limited only by the lack of a dedicated curling facility.



In our northern climate, curling provides another option for people in our area to participate in a healthy activity

Personal Wellness



during the long cold winter months. Curling promotes skills in strategic thinking, teamwork, leadership, interpersonal communication and physical wellness. Friendly competition, generally followed by fellowship, promotes social and emotional wellness in the friendships and comradery that curling creates.

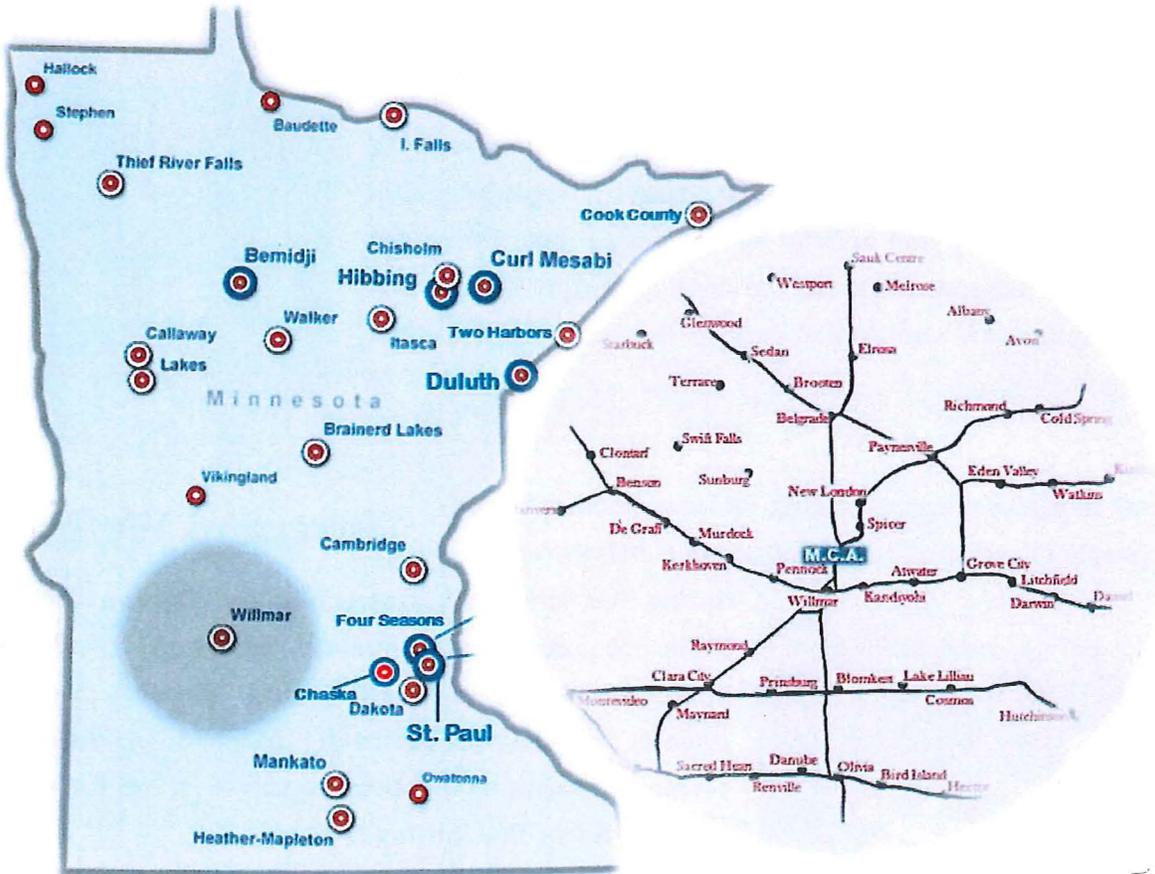
Economic Stimulus

Being a winter activity, curling helps the local community warm up a bit during the cold winter months. A regional curling facility brings hundreds of additional people out in to the community, some that travel 40 miles or more on a regular weekly basis all season; people that maybe would not otherwise be out stimulating the economy. A regional facility also brings outside revenue into the community on the weekends by way of curling tournaments (bonspiels) and competitive curling events of which many participants from all across the United States travel to our community.



WHO DO WE SERVE?

Given the scarcity of dedicated curling ice, the regional facility can draw participation from at least 40 miles out. During the last 12 years, the Midwest Curling Association has had active participants travel from as far as Morris, Litchfield and Montevideo.



22 curling clubs in Minnesota
3 are "arena" clubs including Willmar

Curling Season

- School districts
- Colleges
- Religion and faith organizations
- Civic and social organizations
- Corporate organizations
- Highly competitive athletes

- Men
- Women
- Youth
- Seniors
- People with disabilities
- People that use a wheelchair

Dry-land Season

We would also be serving the local community in terms of usage when the curling arena is not in use. There are many possibilities for community, civic, non-profit and commercial uses that the Midwest Curling Association would support and partner with, enabling the facility to experience maximum usage year-round.

DID YOU KNOW?

- Since the beginning of curling in this area in 2004, United States Curling Association member participation has grown by about 53% to over 20,000 curlers.
- Of the 165 clubs in the U.S., less than 90 communities are blessed with a dedicated curling facility, the other 75 or so suffer on converted arena ice as a stepping stone to a dedicated facility, just like the Midwest Curling Association.
- In contrast; nowhere in the world is curling more popular than in Canada. Our neighbors to the north, with 1/10 the population, have over 1,000 facilities housing around 700,000 active curlers!
- Since 2010, 12 new curling facilities have been built/renovated in the U.S., four of which are in Minnesota; Brainerd, Fargo/Morehead, Blaine and Chaska.
- The new Chaska facility was overwhelmed last fall; anticipating 188 club members by the end of 2016 and 645 by 2021, membership reached 915 in less than two months.
- The average curling club in the U.S. has about 110 members and participation dues of around \$400 per season.
- The Midwest Curling Association will have around 200 members with dues at about \$225 per season
- A four sheet curling facility could accommodate for around 400 active participants each season quite comfortably.
- Even the modest of dedicated curling facilities cash flow quite easily, in fact, curling events can make very good fund raisers for non-profits.
- Largely due to the Olympics, curling is growing rapidly all over the globe from China to Estonia to New Zealand to Brazil and most importantly right here in the U.S.
- Curling has more momentum then all other Olympic sports, +200% since 2000, and has had more U.S. broadcast coverage than any other sport in the last four Olympics.
- Adaptive curling is growing worldwide, especially wheelchair curling, which has a World Championship event and is a Para-Olympic sport. The Midwest Curling Association has an active adaptive program each season.
- If curling has a “hotbed”, you are in it. Of the 165 clubs in the U.S., 37% are located in the great states of North Dakota, Minnesota and Wisconsin.
- Curling is a 500 year old sport/recreation, but is in the early stages of its life cycle here in the U.S. and worldwide.
- USCA highly appealing demographic includes; 81% college graduates, 63% income above \$75k, 87% home ownership.

Midwest Curling Association

Board Members

Josh Bernhagen (President)

Gary Johnson (Treasurer)

Don Nelson (Vice President)

Sharon Nelson (Secretary)

Don Nelson

Steve Moenkedick

Troy Gorans

Sue Minnehan

Jake Vlaminck

Kevin Madsen

Tom Stoffel

Gary Laughlin

Dedicated Facility Committee

Scott Guptill

Troy Gorans

Gary Johnson

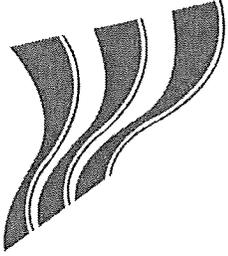
Randy Czarnetzki

Gary Laughlin

Art Benson

Kevin Madsen

Mark Olson



CITY OF WILLMAR

Planning and Development Services
City Office Building
333 SW 6th Street
Willmar, MN 56201
320-235-8311

COUNCIL ACTION REQUEST

DATE: July 28, 2016

SUBJECT: Railroad Wye Update

RECOMMENDATION: For information only

BACKGROUND: Staff will provide an update on the development of the wye project. Included in the update will be a review of the proposed project and a discussion of a variety of issues that have been identified in the course of environmental review and project negotiations. The public partners (City, County, EDC, and MnDOT) continue to work on a draft master agreement with BNSF for the project. The negotiating team continues to fine tune the draft and hopes to make it available to BNSF in August. MnDOT representatives will provide a detailed status report at the August 1st Council meeting. A public meeting is scheduled for August 2nd.

FINANCIAL CONSIDERATION: In this approximately \$50 million project, the City's obligations are limited to staff time and the conveyance of property to MnDOT for highway purposes and to BNSF for railroad purposes. The property to be conveyed is owned in fee title by the City and was part of the former Willmar Municipal Airport.

LEGAL: Every step of this process is being scrutinized by legal counsel representing MnDOT and BNSF. The details of the City's conveyances will be addressed by the City Attorney at the appropriate time.

DEPARTMENT/RESPONSIBLE PARTY: Bruce D. Peterson, AICP – Director of Planning and Development Services

Willmar Rail Connector & Industrial Access Project

The Willmar Wye

Project Summary

The Willmar Rail Connector and Industrial Park Access Project (Willmar Wye) will provide a direct connection between the Marshall and Morris Subdivisions of the Burlington Northern Santa Fe (BNSF) rail network. Providing this direct connection will decrease the number of trains that need to pull into the rail yard in downtown Willmar. The project also includes a rail spur that will provide access to the city of Willmar’s industrial park.

Project Benefits

- Improve safety for travelers by reducing at-grade crossing exposure.
- Increase multimodal opportunities for shippers.
- Encourage economic growth.
- Improve quality of life.
- Delay and emissions savings for travelers (e.g. drivers, pedestrians and bicyclists) by reducing wait times for crossings to clear.
- Reduce the number of trains traversing through downtown Willmar and the accompanying noise.

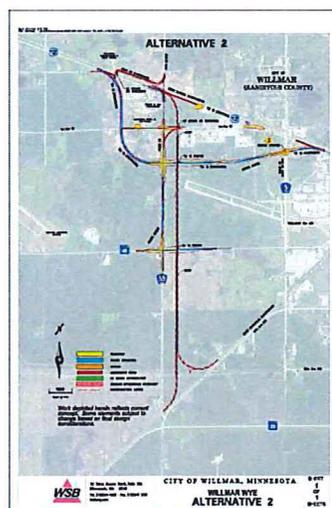
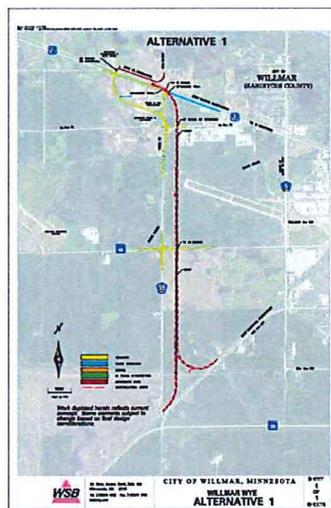
Alternatives Being Considered

Currently, two alternatives are being considered; Alternative 1 and Alternative 2. Alternative 1 suggests keeping Highway 12 in its current location. Alternative 1 would include construction of a high retaining wall and long bridge lifting Highway 12 over the new rail connection.

Alternative 2 suggests the realignment of Highway 12 and the construction of a less complex bridge over the rail connection. Alternative 2 would have more traditional embankments.

Both alternatives include a Highway 40 bridge over the railroad.

Both alternatives can be found at www.dot.state.mn.us/d8/projects/willmarwye/index.html.



Project Partners

Burlington Northern Santa Fe (BNSF) Railway
Minnesota Department of Transportation (MnDOT)
U.S. Department of Transportation
Kandiyohi County
City of Willmar
Kandiyohi County/Willmar Economic Development Commission (EDC)

Contributions

Burlington Northern Santa Fe (BNSF) Railway	\$16 million
MnDOT	\$17.5 million
U.S. Department of Transportation (TIGER grant)	\$10 million
Local Road Improvement Program	\$3.77 million
Kandiyohi County	\$459,000
City of Willmar	\$336,000 (right of way costs)
EDC	\$35,000