

**COMMUNITY DEVELOPMENT COMMITTEE  
MINUTES**

The Community Development Committee of the Willmar City Council met on Thursday, September 15, 2016, in Conference Room No. 1 at the City Office Building.

Present:	Rick Fagerlie	.....	Chair
	Andrew Plowman	.....	Vice Chair
	Tim Johnson	.....	Member
	Audrey Nelsen	.....	Member

Others present: Bruce Peterson - Director of Planning and Development Services, Steve Okins, - Finance Director, Frank Hansen – Fire Chief, Aaron Backman – EDC Director, Kathy Schwantes, and Shelby Lindrud – West Central Tribune.

Item No. 1      Call to Order

The meeting was called to order by Chair Fagerlie at 4:45 p.m.

Item No. 2      Public Comments (For Information Only)

There were no public comments.

Item No. 3      ERC Holdings, LLC Job Creation Fund Application (Resolution)

Aaron Backman, EDC Director, presented a request that the Council provide a resolution of support for a Job Creation Fund application by ERC Holdings, LLC of Florida. Ginovus, a national site selection firm, contacted the EDC regarding a client interested in Willmar. That client was ERC Holdings. The company intends to lease the former Kandiyohi Power Cooperative building on North Business 71. They anticipate spending approximately \$2.9 million on various lease-hold improvements. ERC Holdings intends to establish an accounts receivable management operation and to create 238 new jobs over the next three years. The Job Creation Fund program provides financial assistance to companies expanding employment and making significant capital investments.

A motion was made by Council Member Plowman, seconded by Council Member Nelson and passed that the Council adopt the resolution of support for the ERC Holdings, LLC job creation fund application.

Item No. 4      RockStep Capital Tax Abatement Agreement (Resolution)

The Committee discussed the tax abatement and business subsidy agreement by and between the City of Willmar, Minnesota and RockStep Willmar, LLC. The agreement provides the details for the tax abatement program recently approved by the Council. The tax abatement will be provided for a period not to exceed 10 years, in a total amount not to exceed \$375,260. The agreement, as drafted by City Attorney Robert Scott, includes a section on events of default and specifies the remedies to the City should the developer default on the project. The developer is being held to goals for job creation and capital investment.

Following discussion a motion was made by Council Member Nelsen, seconded by Council Member Plowman and passed that the tax abatement agreement be approved and that the Mayor and Interim Administrator be authorized to sign the agreement.

Item No. 5     John's Supper Club Building Update (For information only)

Staff presented an update on the construction work at the former John's Supper Club building. The building was under reconstruction for a number of years. It appears that most of the work on the building is completed and final inspections have been conducted for the building construction and plumbing systems. The property is ready for occupancy and occupancy is subject to the owner, at this point.

Item No. 6     New Business

Staff provided information regarding contacts with potential Industrial Park tenants as well as several expressions of interest to develop additional housing in the community.

There being no further business to come before the Committee, the meeting was adjourned at 5:15 p.m. by Chair Fagerlie.

Respectfully submitted,

Bruce D. Peterson, AICP  
Director of Planning and Development Services