

SPOTLIGHT

After a lifetime of public service, Tim Penny prepares for retirement

By ANNIE HARMAN annie.harman@apgsomn.com

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For nearly half a century, the name Tim Penny has been synonymous with public service.

A longtime Waseca County resident prior to a move to Owatonna, Penny first stepped into the public spotlight in his early 20s as a Minnesota State Senator, serving the region from 1976-82. He left St. Paul to take a turn in Congress, serving Minnesota's First Congressional District for more than a decade, retiring from public office in 1994.



After 18 years of leading the Southern Minnesota Initiative Foundation, Tim Penny will be retiring from his position as president/CEO in the upcoming months. His legacy at the foundation marries well with his previous life as a state and federal politician, also representing the same area of the state. (Annie Harman — Owatonna.com)

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But that was far from the end of Penny's service to the place he loves: southern Minnesota. In 2007, Penny took on the role as President/CEO of the Southern Minnesota Initiative Foundation, the donor-supported foundation that invests in economic growth in 20 counties throughout the southern Minnesota region — including Rice County — encompassing

communities and one Native nation. Since taking on that role, SMIF has been transformed into a powerhouse partner in advancing economic growth, early childhood development and community revitalization in the counties it serves.

Earlier this month, Penny announced he will be retiring from SMIF — a decision that was not made lightly, but one he believes is practically written in the stars.

"We are at the front end of a five-year strategic plan, as well as a major funding commitment from a longstanding partner," Penny said. "It is a good time to have a transition. Whoever we hire, let's give them a runway."

Laying the groundwork

Whether or not destiny is predetermined, it's hard not to see how every aspect of Penny's life has been connected in what can only be explained as fate.

During his time in Washington, D.C., the foundation was first founded as a response to an economic crisis that was devastating southern Minnesota. Farms across the state faced bankruptcy, and their accompanying communities were suffering. That is when the McKnight Foundation created six Minnesota Initiative Foundations, with the belief that the most effective solutions for Greater Minnesota would be driven by local people. Of these six foundations was SMIF, designed to provide support and resources directly to the communities in need.

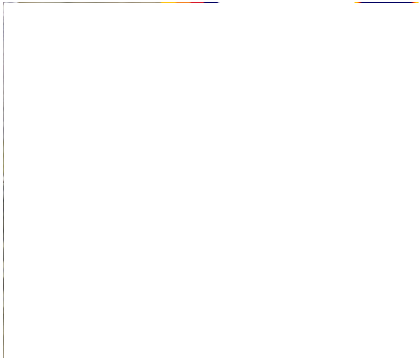


Tim Penny, right, speaks with then president Bill Clinton during his time as a U.S. Congressman. (Submitted photo)

At the same time, Penny was busy sitting on the Agriculture Committee, crafting the debt restructuring legislation to stop the hemorrhaging of family farms, allowing farmers to negotiate debt and hold on to their farms.

As a result, the Family Farmer Bankruptcy Act, also known as Chapter 12 of the U.S. Bankruptcy Code, was passed in 1986 — the same year SMIF was founded.

"We both were looking across rural Minnesota and realized this loss of family farms was reverberating into the rural communities, hitting Main Street and impeding development," Penny said, drawing the parallels between his work and the efforts of the newly organized foundation. "They were investing in the future of rural and helping us find a path forward."



For the next several years, Penny said he continued to keep tabs on SMIF — then known as the Southeastern Minnesota Initiative Fund, or SEMIF — and was invited to speak at a handful of their annual meetings. When he retired from Congress and returned home, he continued to stay informed, and it wasn't long before he received the tap on the shoulder to get involved.

"As I was leaving Congress, they asked if I would be willing to lend my name to their endowment fundraising campaign, which was a very easy decision," Penny said, noting if it was about southern Minnesota, he was all on board. He would later be asked to serve as a co-chair for a leadership circle of roughly a dozen significant business partners in the region, ranging from Mayo Clinic to Hormel, providing a sounding board for the foundation.

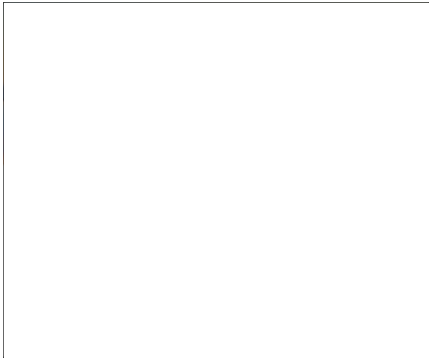
"These leaders were telling us what the emergent needs were in southern Minnesota," he recalled. "They steered us in the direction of, among many things, early childhood, specifically that quality child care is important to our workers."

Penny said this was "a delight" for him to see the foundation move into that space, as just prior to his departure from Congress he had been encouraging an expansion of the Head Start program — another parallel that naturally fell into place.

The big ask

It was in early 2006 when the then-chair of the SMIF board approached Penny with a proposition: the foundation needed a new president, would he consider applying?

Though a strong advocate for the foundation and the work it was doing, Penny didn't believe the timing was right. Just months prior, he had lost his wife and mother of his children, Barb, to pancreatic cancer.



"I thought, maybe at some point in the future, but probably not right now. I didn't want to make a big life decision at that point where I was still reeling from that loss," Penny said.

A few months later, the same individual circled back and asked again. At that point, Penny agreed to meet with the search committee, and by the end of that meeting he had talked himself into applying.



Tim Penny credits his late wife, Barb, with inspiring him to take the leap and apply to lead SMIF. Barb's legacy of community-focused service helped him make the decision to focus on a more local impact. (Photo courtesy of Molly Penny)

"I have to credit Barb," Penny said behind tear-filled eyes. "My life was all about politics on the state and federal level, but she was all about engaging in things closer to home."

Through Barb's many community connections, Penny was also exposed to (and signed up for) a plethora of volunteer opportunities and campaigns.

Of the many ways Penny remembers his first wife's acts of service, however, it was one special act of solidarity that stands out to him as Barb's legacy of supporting her community, of loving where she lived.

When 12-year-old Cally Jo Larson was murdered in April 1999 after returning home from school, Barb rallied women through her work as chairwoman of Waseca Healthy Community/ Healthy Kids Initiative. For several weeks after the tragedy, Barb and the women became the "Pink Ladies," donning pink hats and standing on every intersection throughout town before and after school.

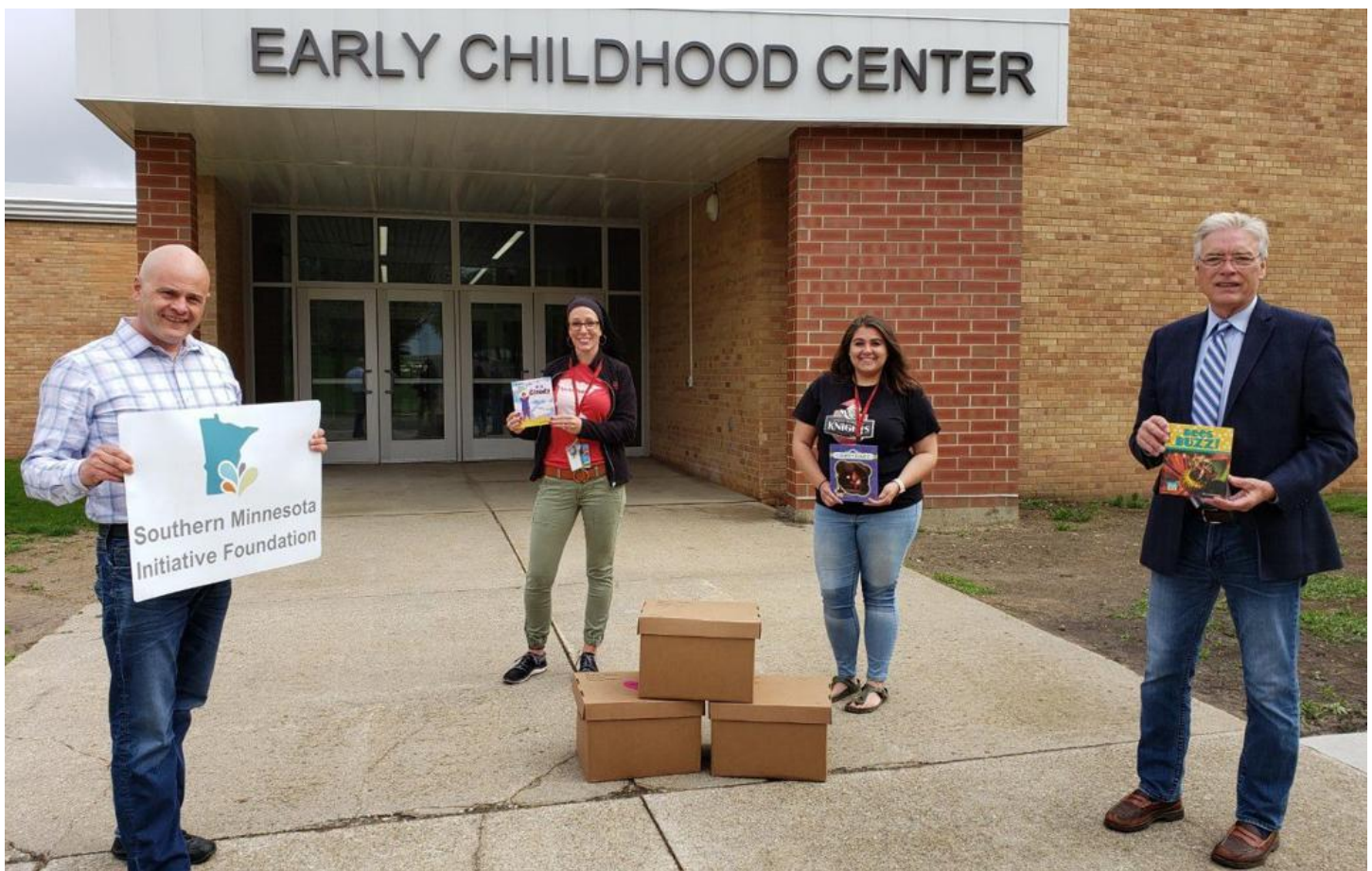
"It was a signal to the kids of the community that the community cared for them and was looking out for them," an emotional Penny said. "The second time the board chair asked if I would consider this job, I thought about how important [Barb's] work locally was, and how leading the foundation would be my opportunity to engage more locally and do what I can for our own backyard."

"I'm glad I made the decision," he continued. "It's been a good one."

Legacy of leadership

There are several programs Penny has helped elevate to new levels during his 18 years at SMIF.

With a strong emphasis on supporting young children, families and early childhood professionals, Penny helped secure a \$1 million planned gift to ensure the longevity of programs that train child care providers.



Pictured from left, Early Childhood Business Consultant, Jeff Andrews; K-W Preschool/ECFE Teacher and Early Childhood Director Katie Valek; K-W Preschool Teacher and ECFE Teacher Andrea Duron and Southern Minnesota Initiative Foundation President Tim Penny. The center received 200 books from SMIF and ABDO Publishing in 2020. (File photo — Southernminn.com)

K-W Early Childhood Center

Anywhere from 700-800 providers benefit yearly from the trainings offered by SMIF, Penny said, allowing them to check off the continuing education they need to have to stay in business. These programs also help equip the providers across the region with resources and strategies to deliver high-quality care and education, and a partnership with Capstone and ABDO Publishing has enabled the foundation to distribute more than 20,000 books annually to schools, libraries and community organizations that serve children under age 8.

In 2017, Penny spearheaded a strategic initiative to refocus SMIF's efforts on small-town revitalization. This led to the launch of the Small Town Grant program and the growth of SMIF's Community Foundations, which expanded from 12 to 33 communities under his leadership, amassing millions in collective endowment funds.

Programs such as Paint the Town supported over 330 community projects, including murals, historic building restorations, and welcome signage. Penny also introduced the Acres for Good farmland retention program which encourages landowners to donate land and support causes they care about.

"If I could choose just one wish for southern Minnesota's future it would be to see more land donated through SMIF's Acres for Good program," said Penny.

Of all the things he has helped SMIF accomplish, however, Penny goes back to his passion for helping family farms and SMIF's involvement in the FEAST! Local Foods Peer Network strengthened connections among the region's food entrepreneurs, offering resources, training and opportunities to grow their businesses.

"I like everything we have done and we are a player in, but being an instrumental player with what is going on with local foods in southern Minnesota is something I am really proud of," Penny said. "Most of the local food producers in the region are small-scale family farms, and we are helping set them up for success and keeping those farms in the family."

The next chapter



Tim Penny says he is looking forward to seeing what the next chapter of life brings him in retirement, including traveling with his wife Sandy. (Photo courtesy of Tim Penny)

With retirement on the horizon, Penny jokes that he knows he will find something to keep him plenty busy in due time. For now, he is looking forward to the various trips his new bride, Sandy, is busy planning, including an extended trip to Anchorage, Alaska, to visit Sandy's daughter. He also is looking forward to playing host for their grandchildren who he anticipates will be shipped off to their Owatonna home for weeks at a time during the summer break.

Aside from that, he said he hasn't had much time to develop a "bucket list" for retirement, but reality is despite what he says, Penny isn't slowing down.

He has already committed to continue to do volunteer work with SMIF, acting as a chairman for a mutual fund board, and he currently is the vice chair of the Economic Club of Minnesota. Penny is also the co-chair of the Committee for a Responsible Federal Budget, a nonpartisan, nonprofit public policy organization in Washington, D.C., that addresses federal budget and fiscal issues.

And as he prepares to help SMIF transition, promising to stay in his position until the right successor is identified, Penny says he hopes the collaboration that has been at the forefront of the organization remains exactly in place — though he has no doubt that it will.

"It is hard to step away from it, my roots run pretty deep in this part of the state," Penny said, not trying to hold back a second wave of emotion. "I've often said I loved representing southern Minnesota in Congress, I just didn't like Washington. Well, for the past 18 years I have been able to serve this region in a different way, and in many ways a more rewarding way."

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