



# Champion Report Template

Theme Area: Economic Engines-Joe Schulte

Champions:

**Arlene Jones**, St Mathias Farm

**Vicki Chepulis**, Grants Coordinator for Five Wings Arts Council

**Greg Bergman**, Small Business Development Center

**Rick Utech**, Economic Development of Todd County

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Goals:	What success have you had in moving your theme goals forward over the past year?
Rec 2	<p><b>Sprout has been a huge success for us which we are going to expand on even more in 2014.</b> Expansion of the local food HUB "SPROUT MN." In partnership with MANY organizations, SPROUT success this year includes: Over \$327,000.00 in grants to advance "SPROUT MN" - the region's local food HUB.</p>
Rec 3	<p><b>Five Wings Arts Council</b> established a comprehensive database of all regional cultural and arts organizations, artisans, local units of government, and community leaders in order to facilitate and support collaborations that result in creative activities that attract more people to visit and live in this region. Collaborations with Little Falls CVB, local artists, and Great River Arts began and exploratory meetings in Wadena to repurpose the historic NP Depot as a regional asset for collaborative creative endeavors are in the early stages.</p>
Rec 1	<p><b>Micro Loan Recipient Comfort Keepers</b>-partners with assisted living facilities, nursing homes, eldercare attorneys, fiduciaries, police departments, ambulance drivers, funeral directors, hospitals, clinics, hospice agencies, long-term care insurance agents. RAMP/USDA funded <b>\$400,000.00 loan and a \$100,000.00 grant R5DC</b> to do <b>microlending</b> with volumes of TA associated with this program. Aligns well with our other 4 lending programs.</p>

## What are you excited about around your theme for the coming year?

Moving Forward in 2014, **Economic Engines has recruited two additional champions** for Economic Engines.

- Arlene Jones, St Mathias Farm
- Vicki Chepulis, Grants Coordinator for Five Wings Arts Council

SPROUT MN

- ⇒ Feasibility studies for 3 Food Processing Facilities, all with unique qualities at each such as; 1) Little Falls an indoor winter farmers market, 2) St. Mathias a demonstration area for educational classes and 3) Pine River an innovation center for ag research and development.
- ⇒ New programs that support K-12 schools to deliver student training at a local catholic convent farm.
- ⇒ Facilitated conversations by USDA, SPROUT is learning from 4 other local food Hubs throughout the nation.
- ⇒ Hunger Free Minnesota is learning if there are opportunities to pilot a food shelf in a hospital.
- ⇒ Health and Recreation Alliance for Service Member Families. Camp Ripley, Gull Lake Sailing School, Mt. Ski Gull, SPROUT MN and Lakeshore Conservation Club.
- ⇒ Initial conversation with an intermediary food distributor on potential partnerships in distribution routes for institutions.
- ⇒ Attending National Food Hub Conference in March to identify potential National successes, partnerships and strategies to advance local food HUB work.

CREATIVE COMMUNITY COLLABORATIONS

- ⇒ Pilot project in Wadena County to link Partnership for a Healthy Wadena, Cultural Center, Green Island, Farmers Market, County Fair, and small creative-based businesses to create a three year plan to create series of events and projects that enhance livability in Wadena county.
- ⇒ Establish partnerships and secure funding to initiate the Highway 10 Creative Corridor, an initiative to showcase and market the assets that spark creativity on Highway 10 between Little Falls and Perham, MN, to attract visitors and new residents.
- ⇒ Entrepreneur training for artists and artisans in the region to better prepare them to develop their art into a business.
- ⇒ Artist/Entrepreneur recruitment campaign with incentives to attract creatives to move to Wadena county.

# Economic Engines

## Economic Engines Issue 1

**Financing:** This issue involves the availability of capital to new and expanding businesses in the region, in today's credit market, accessing capital can be a challenge for businesses, especially entrepreneurs and companies in research and development stages. Alternative financing mechanisms should be created to fill this void, such as microenterprise loan funds or local venture capital financing.

## Economic Engines Goal

**Economic engines:** The region focuses on exporting manufactured goods and agricultural products in order to bring dollars into the regional economy. The region also focuses on tourism and the arts which bring dollars into the regional economy from outside the region. The health care sector increases to provide a high quality of life. The education sector adapts to training residents for jobs in the region. Government employment decreases.

## Recommendation 1

***Financing for economic development: Ensure capital is readily available for new and expanding businesses in the region.***

### Action Step A

**Pilot programs:** Promote "pilot programs" to try out new financing options. Give preferred grant points to education and training programs that have multi-discipline impacts.

### Action Step B

**Incentives:** Provide tax benefits for businesses that promote a balanced approach of environmental, economic and social vitality. Create incentives, like tax credits or licensure requirements, for telecommunication providers to strategically expand broadband access in rural/remote geographical locations. Create more financial incentives for businesses and individuals that protect the environment and/or use alternative energy.

### Action Step C

**Revolving loan funds:** Foster more regional and sophisticated Revolving Loan Fund (RLF) sources (Re: gap financing). These sources should have access to better

resources, lending expertise, funding sources, and technical assistance. This will create better financing and lending to entrepreneurs and small businesses. Consider using RLFs for broadband and energy-related development.

### Action Step D

**Angel investors:** Develop angel investor pools and other financial resources that would serve a variety of business startup and expansion needs at different levels of risk. Engage existing and new sources of capital.

### Action Step E

**Data and measurement:** Provide more and better ED/GIS data to expand the knowledge base, improving community and individual economic decisions and impacts.

### Action Step F

**Entrepreneurs:** Provide low-interest economic development loans for entrepreneurs and additional entrepreneurial training opportunities.

## Economic Engines Issue 2

**Agriculture CSAs:** We must protect our region's agricultural heritage and support smaller-scale efforts like Community Supported Agriculture (CSA). We should focus on developing a land use plan that keeps our prime farmlands in production rather than fragmenting and converting them to subdivisions. CSAs and local farmer's markets are excellent ways to promote local agriculture and affordable local food production.

## Recommendation 2

### **Local foods: Promote and support the expansion of the local food economic sector.**

#### **Action Step A**

**Incentives for agricultural use:** Current tax codes that encourage low-density residential development, taking farm and forest land out of production. Instead, pursue tax changes that incentivize innovative small-scale agricultural use on small tracts of land and leaving forests in production. Focus on natural resources and crop diversification.

#### **Action Step B**

**Distribution systems:** Develop local foods opportunities, including community gardens and local producer and distribution networks. The goal is to make local foods more accessible to residential and commercial consumers, such as schools, hospitals, and local grocery stores. Continue to move forward on local food education, production, processing, distribution, and purchasing at the regional level.

#### **Action Step C**

**Value added:** Explore options, including regulations and incentives, for adding value to locally grown agriculture and setting new, regional regulatory standards that encourage local food production, processing and distribution. These new standards must still meet federal and state regulations that

ensure the health, safety and welfare of the purchasing public.

#### **Action Step D**

**Training and education:** Focus on enhancing small farm training and increasing agriculture education in schools, including home processing, food preparation, and seed storage. Increase agricultural awareness through public education, using a “cradle to grave” approach.

#### **Action Step E**

**Grow the demand:** Increase demand from citizens, institutions, and businesses for locally produced goods. Make local foods more accessible by increasing transportation options for seniors and low-income populations. Create a distribution and marketing network which could improve transportation of bulk local food goods to stores.

#### **Action Step F**

**Packaging:** Teach and encourage local producers and distributors to use sustainable practices such as the use of recyclable and reusable containers for packaging.

### **Economic Engines Issue 3**

**Arts and culture:** A unique arts and cultural environment in our region is a potential economic driver as well as the ongoing trend in ethnic diversity. How the region chooses to preserve its land and cultural traditions and make use of these assets in the future will have a direct impact on its economic vitality.

### **geographic and cultural differences of people in the five-county area. Fund and value arts and cultural preservation efforts for all arts, including culinary, visual, and others.**

#### **Action Step A**

**Collaborations:** Develop collaborations that use and enhance local culture, such as collaboration between mental health care professionals, artists, and local food producers.

#### **Action Step B**

**Identify key technology areas that directly impact economic**

**competitiveness:** Advance manufacturing, broadband verticals communication, and value-added processing. Concentrate resources in technology and virtual cluster areas. Work to improve technologies for base load energy and help local energy-related startup businesses become successful.

## Economic Engines Issue 4

**Economic engines:** Prioritization of economic engines that the region will focus on in efforts to enhance economic vitality.

### Recommendation 4

***Economic engines: As a first tier of priority, the region will focus efforts on the following economic engines:***

- **Entrepreneurs** - Develop and expand entrepreneurship and small, home-based businesses
- **Agriculture** – Promote the agricultural sector with an emphasis on local foods
- **Renewable energy** - Support renewable energy businesses already located within the region
- **Technology** – Expand the technology sector including software design and development, use of innovative technologies in agriculture, financial services, and delivery of health care
- **Eco-tourism** - Promote our region to seasonal visitors and worldwide that our region is an eco-friendly location in which to spend time to renew and regenerate
- **Education** - Develop and expand new approaches to education including high-tech tools, virtual and online, to address the high-tech skill development needed for the region
- **Healthcare** - Expand the use of telemedicine to deliver health care in patients' homes and to address the need for specialty health care

***As a second tier of priority, the region will focus efforts on the following economic engines:***

- **Manufacturing** - Continue to support regional manufacturing businesses with nation-wide and global markets
- **Retail** - Continue to support our local businesses with online tools to promote their products beyond the five-county borders
- **Transportation** - Continue to support and promote the regional rail and trail system
- **Mining** - Continue to support the Emily manganese mining operation as long as it is compatible with maintaining environmental quality
- **Financial Services** – Continue to support this under-the-radar regional economic engine
- **Camp Ripley** – Seek collaborative public/private efforts that leverage the governmental investment in Camp Ripley

#### Action Step A

**Training and planning:** Provide business training and planning for companies of all size.

#### Action Step B

**Free market:** While pursuit of economic engines and their supply chains as a cluster development approach to economic development is valued, this should be done while maintaining a diverse economy that is driven by the free market.