



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

Date: April 15, 2014

Goals/Strategies or Action Steps:	What NEW success have you had in moving your theme goals forward over the reporting period?
Rec 2	<p>Sprout continues to be a huge success and 2014 will be a pathways year.</p> <p>The practice of our community our responsibility is catching on with expanded partnership in the Region Five area and beyond. The continued belief that we HAVE to improve our communities because we care about our customers, team members, neighbors and the earth itself.</p>
Rec 3	<p>Five Wings Arts Council School Art Project grants were awarded for artists' residencies in Cass Lake-Bena School, Crosby-Ironton High School, Pierz Healy High School and Pine River Backus High School. These Small Project grants program supports first-time and late-breaking arts opportunities. Recipients of grants in this category were Northland Community Education, \$900 to provide theater opportunities for children through their Play-In-A-Week program; Boys and Girls Club of Morrison County, \$1,000 for their Fine Arts programs and \$1,000 to the Longville Community Choir to produce Music in the Park continuing efforts in communication with local units of government and community leaders as well as increase community engagement.</p>
Rec 1	<p>Micro Loan Funds has partnered with assisted living facilities, nursing homes, eldercare attorneys, fiduciaries, police departments, ambulance drivers, funeral directors, hospitals, clinics, hospice agencies, a with long-term care insurance agents. Recently, RMAP has taken on a 4 million dollar project with the general contractor using RMAP funds to gap primary lenders and owners. Aligns well with our other 4 lending programs.</p>
<p>What future activities has your theme prioritized for the coming year?</p>	
<p>Moving Forward in 2014, Economic Engines has recruited two additional champions for Economic Engines.</p> <ul style="list-style-type: none"> • Arlene Jones, St Mathias Farm • Vicki Chepulis, Grants Coordinator for Five Wings Arts Council 	
<p>SPROUT</p> <ul style="list-style-type: none"> • Completing feasibility studies for 3 Food Processing Facilities. Providing kitchen equipment supporting The Farm on St. Mathias and their new demonstration area for educational classes, new programs that support K-12 schools to deliver student training at a local catholic convent farm, teaching through Hunger Free Minnesota that there are opportunities to pilot a food shelf in a hospital. 	
<p>Assisted Living</p> <ul style="list-style-type: none"> • Assisted Living Federation of America reports that the average age of assisted living residents is 86.9 years (female average age, 87.3; male average age, 85.7). Female residents (73.6%) outnumber male residents by almost 3 to 1. The majority (76.6%) of assisted living residents are widowed, and just over 12% are still married or have a significant other. The average length of stay for assisted living residents is 28.3 months (the median is 21.0 months). • Residents of assisted living facilities need not be concerned with daily meal preparation, because a central kitchen and dining facility typically provides three meals each day. The central dining allows for the introduction of SPROUT which adds in the required diet of healthy eating and locally grown foods. 	

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 plane 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.

Value cultural differences: Address and embrace the various 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.