



Champion Report Template

Theme Area: Economic Engines

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REPORTING PERIOD: March 17, 2015 through June 16, 2015

Goals/Strategies or Action Steps:	What NEW success have you had in moving your theme goals forward over the reporting period?
R1	<p>Business Dev-The SBA has estimated that 60% of small businesses will change ownership over the next 10 years. Many small businesses recognize a need to plan for this transition but are unsure of the process to optimize their exit. The North Central Region in conjunction with SCORE and Initiative Foundation has developed an initiative to educate and advise business owners and economic development stakeholders about the value of a planned approach to business transitions and steps to take to maximize the return for business sellers and buyers in a business transition.</p> <p>In this scenario the role of the SBDC/SCORE consultants are to coach the ownership through the transition process while referring to outside legal, accounting and financial professionals that will assist the business owner in developing and executing their exit strategy.</p>
R2	<p>Sprout- Presentations:</p> <p>April 29, 2015 Arlene Jones, Kelly Coughlin; Lakewood Health and Cheryal Hills presentation on Choose Health at the U of M.</p> <p>May 7, 2015 Arlene Jones to ALL of MN USDA staff on SPROUT activities including the Marketplace and Choose Health in Walker</p> <p>May 9, 2015 Arlene Jones and Cheryal Hills give SPROUT update to MN Farmers Union group in Little Falls</p> <p>May 14, 2015 Cheryal Hills to Central MN Food Access Network on SPROUT activities in Little Falls</p> <p>May 31, 2015 U.S. Senator Amy Klobuchar, D-Minnesota, stopped in Little Falls Monday, to chat with local community leaders about Morrison County’s economic prospects.</p> <p>During the brief visit, Klobuchar toured the Little Falls Development Center as well as the proposed food hub. Klobuchar praised the efforts of the community and SproutMN in developing the food hub concept, after learning about the hub’s potential to unite the region in improving the local economy. “A very cool part of this project is commitment ... from the grower, the buyer, the government, from the top to the bottom and the bottom to the top, meeting in the middle,” said County Commissioner Jeff Jelinski. “One of us couldn’t make this commitment alone. It truly takes a whole community.”</p> <p>Jan & June, grower trainings; Post Harvest Handling & Food Safety Workshops.</p> <p>May, Hosted a DESIGN PARTY with artists, elected officials, business owners, etc. to add artistic expressions to the build-out of the Little Falls processing facility. This was an amazing experience and the ideas were FANTASTIC!</p> <ul style="list-style-type: none"> • Grant from Hunger Free Minnesota for \$50,000.00 for equipment of 10 sites (\$5k ea.) who would upscale their feeding programs to include an end of the day meal and utilize the

	<p>USDA RD CACFP At-Risk program. The sites are typically serving only breakfast, lunch and an after school snack.</p> <ul style="list-style-type: none"> Grant from Hunger Free MN for \$25,000.00 to increase uptake of USDA feeding programs in the northern part of MN, another \$24k dedicated for evaluation of our programming. All of the Hunger Free MN sites will access food from SPROUT. <p>Secured a grant from MN Department of Agriculture for \$100,000.00 to continue the build-out of the processing facility.</p> <p>Created an evaluation plan for our Local Foods work in accordance to the WealthWorks value-chain model. Building all forms of rural community wealth from the activities of the SPROUT food hub.</p>
<p>R3 Action Step A</p>	<p>ARTPLACE AMERICA GRANT APPLICATION: NCEDA’s Community Development Investment grant application to ArtPlace America was selected as one of 21 finalists from across the nation (3 from MN). One Minnesota non-governmental agency will be awarded \$3 million grant distributed over the next three years. Each selected organization will also work with national creative placemaking experts, a Financial Capital Consortium, a Federal Grants Advisory Team, and a Community Documentation and Research Team. ArtPlace America is a funding consortium of 15 foundations, 8 federal agencies and 6 banks that exists to position arts and culture as a core sector of comprehensive community planning and development in order to help strengthen the social, physical, and economic fabric of communities. ArtPlace has already invested significantly in learning about our region. In early May, ArtPlace funded NCEDA/R5DC Executive Director, Cheryal Hills and Five Wings Arts Council Grants & Program Coordinator, Vicki Chepulis to attend the ArtPlace Summit in Philadelphia, a conference of 300 previous ArtPlace grantees. The purpose of this trip was to learn more about the field of creative placemaking and to network with people leading successful projects across the nation. It also afforded an opportunity for the ArtPlace team to learn more about NCEDA/R5DC, and layout the next steps of their decision making process.</p> <p>On June 4th, three members of the ArtPlace team traveled to our region to conduct interviews with board, staff, partners, funders, and constituents of NCEDA, as part of their national tour of finalists, providing a closer look at the finalists for this prestigious award. They also took time to enjoy some local flavors prepared by Prairie Bay and served at the Farm at St Mathias. Finals decisions will be announced on August 24th.</p> <p>Sincere thanks to everyone who helped us convey the story of our region at the ArtPlace interviews and dinner.</p> <p>Simply by being a part of this application process, awareness of the possibilities of arts and culture playing a more significant role in community development has been enlivened.</p> <p>RURAL ARTS & CULTURE SUMMIT: Region Five was represented by 20 artists, arts organization leaders, regional and community leaders at the Rural Arts and Culture Summit, held in Morris, MN June 3-5th. This summit reinforced much of what was learned at the ArtPlace Summit and forged connections between arts and non-arts leaders from across the country.</p> <p>WORK OF ART: BUSINESS SKILLS FOR ARTISTS Five Wings Arts Council, in partnership with Springboard for the Arts, providing training for artists from Crow Wing, Cass, Morrison, Todd and Wadena Counties, to enhance their capacity as entrepreneurs to plan their business, sell their art, and promote themselves as artists.</p> <p>FIVE WINGS ARTS COUNCIL FY15 distributed over \$400,000 in grants to communities, arts organizations, and artists, ranging from free Classical Music presentations in the Brainerd area to children’s theater in Walker.</p>

- **HIGHLIGHT: Beyond the Bricks**, a collaborative project coordinated by Crossing Arts Alliance which brought together community writers and visual artists and inmates in the Crow Wing County Jail, was selected to receive the "Dave Grant" Program of the Year Award through the Minnesota Jail, Programs & Services. An interesting example of the arts partnering with an unlikely collaborator and having positive results for the community.

What future activities has your theme prioritized for the coming year?

Continued work on the ArtPlace America grant review process, planning and development of potential implementation phases.

Continued work to secure additional funding/financing for the completion of the Marketplace Food Hub facility, e.g. USDA/Value-Added Producers Grant

Development of proposals (non-loans) to submit for additional capital funds for RLF and Microloan funds.

Priority is on training artists, arts leaders and community leaders in working together to effectively collaborate on arts based community development projects.

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.

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.