

BUILDING A
**Resilient
Region**



COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY: 2013



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www.regionfive.org
www.resilientregion.org

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Cover: Baxter 371, Downtown Wadena, River scene, courtesy of the Region Five Development Commission.

Executive Summary

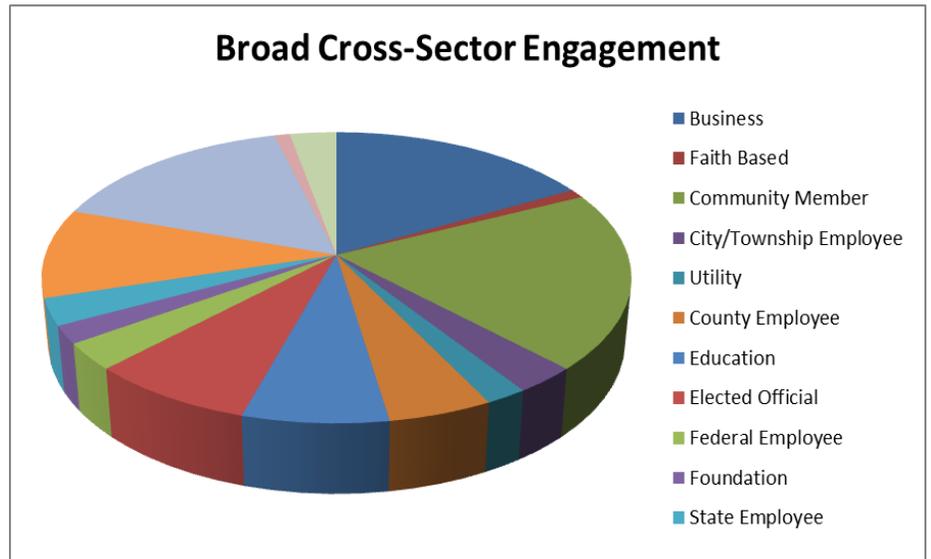
This Comprehensive Economic Development Strategy (CEDS) outlines the Region's priority economic development activities in light of issues and opportunities identified in the central MN 5-county region.

This document is the annual update to our regions Five Year CEDS which was submitted in December 2011. The 2012 CEDS was developed through research of available data and through the participation processes associated with a HUD/DOT/EPA Sustainable Communities Regional Planning grant awarded in January 2011. That initiative allowed the region to create a regional plan that encompassed economic development, transportation, housing and land-use plan that was completed in August 2012 and is entitled, The Resilient Region Plan. See www.resilientregion.org for additional information.

Integration and Participation

The HUD/DOT/EPA Sustainable Communities Regional Plan required a full integrated plan with the four disciplines of housing, transportation, land-use and economic development AND required separate regional plans for each of those disciplines as well. To avoid duplication of efforts, the 2011 CEDS is ALSO the Resilient Region economic development plan.

The participants in this process represent a wide cross-section of the population. Participants are beyond the typical economic development practitioners, but are retirees, students, citizens at large, veterans, unemployed, transportation experts, housing experts, entrepreneurs, and other private sector professionals. The 2011 CEDS details the demo-



graphic breakdown of the economic development workgroup who primarily focused on the economic development section of The Resilient Region & CEDS, however this 2013 update of the 5-year CEDS informs EDA of the Full Consortium who worked on the Resilient Region plan and all of whom influenced this document and The Resilient Region Plan.

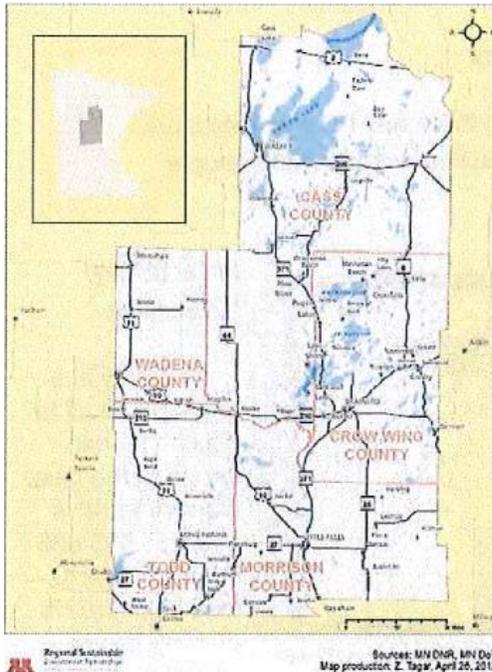
More than 600 Engaged-

From all sectors:
 Community Member = 20%
 Business = 17%
 Student = 16%
 Nonprofit = 10%
 Elected Official = 8%
 Education = 7%
 County Employee = 5%
 City/Township Employee = 3%
 State Employee = 3%
 Federal Employee = 3%
 Quasi-Government = 3%
 (EX: HRAs and REDCs)
 Foundation = 2%
 Utility = 2%
 Faith-Based = 1%
 Leech Lake Tribe = 1%

Inclusive membership was purposefully sought. Membership included elected officials, private sector representatives, representatives of non-profits, and local government employees. The working group was facilitated by two professionals from the Region Five Development Commission, one professional from the Initiative Foundation, and one professional from the University of Minnesota's; Clean Energy Resource Team. However, this workgroup was not the only contributing party. Influence from transportation, housing, and land use professionals was also evident. This CEDS was also created in the spirit of Region Five Development Commission's mission to enhance the vitality and quality of life in Cass, Crow Wing, Morrison, Todd and Wadena counties.

Overview

Central Minnesota



State of the Region

The Region Five economic development district of Minnesota is comprised of Cass, Crow Wing, Morrison, Todd and Wadena counties. It has a population of almost 180,000 living in 65 cities, 155 townships and two Tribes. Of the 65 cities the majority have less than 500 residents. Please see additional regional data in **Appendix 1**.

Demographics

On average, the residents of Region Five are different than those of the State of Minnesota and the Nation. The people of Region Five are:

- older than average with proportionally higher populations in age groups 50 and up and proportionally lower populations in

age groups below 50;

- less diverse with a population that is 95 percent white with the largest minority population being Native Americans at 2.42 percent;
- culturally less diverse than average with a mere 2.7 percent of the Region's population above five speaking a language other than English at home.

It is expected that the high proportion of older populations will remain in the Region. However, there is a projected shift in household makeup with a 78 percent increase in households comprised solely of a single person 65 and over living alone. It is also expected that racial and cultural diversity will increase over time.

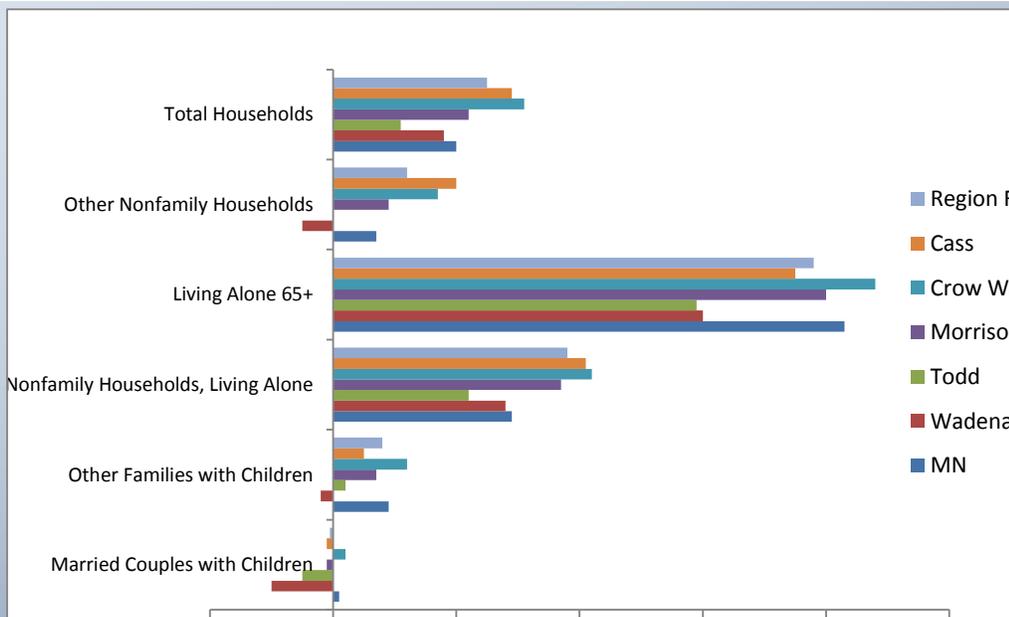


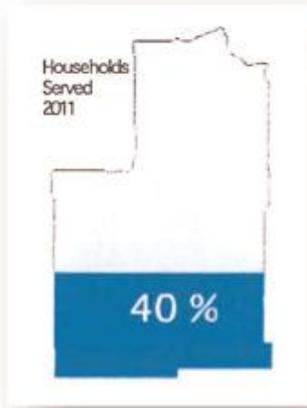
Figure 1. Percent Change Household Projections (2010 – 2030)

Total population of the region is 180,000

3 Counties in the Region are considered distressed

Most of the 65 Cities have fewer than 500 residents

Largest City; Brainerd is one of the top 20 fastest growing



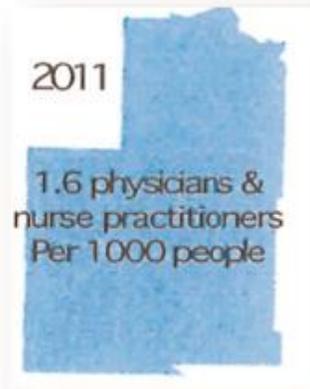
**Broadband/
Infrastructure**

Currently 40% of the households in the region are served by broadband service for their internet connection (MHFA).

45%

Housing Affordability

Currently 45% of lower income households spend 30% or more of their income on housing.



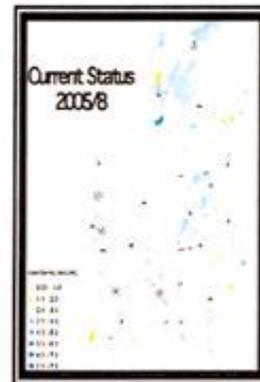
Health Care

Currently there are 1.6 physicians and nurse practitioners per 1000 people.



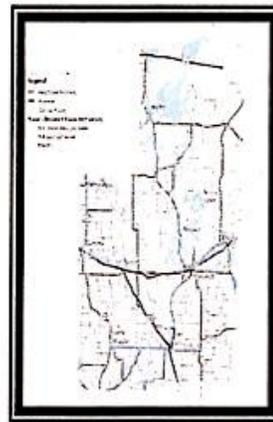
Growth Patterns

Current trends show that 12,000 new homes would be added, an increase of 18%, with the average household size of 2.4.



**Water Quality/
Lake Clarity**

Lake clarity indicates the level to which you can see in to the lake. Current trend is that by 2035 665 lakes decline in lake clarity (52% of 1263 lakes).



Transportation

Current trends show that the region is well served by roads. the emphasis will shift to maintenance; some roads will go to low maintenance.

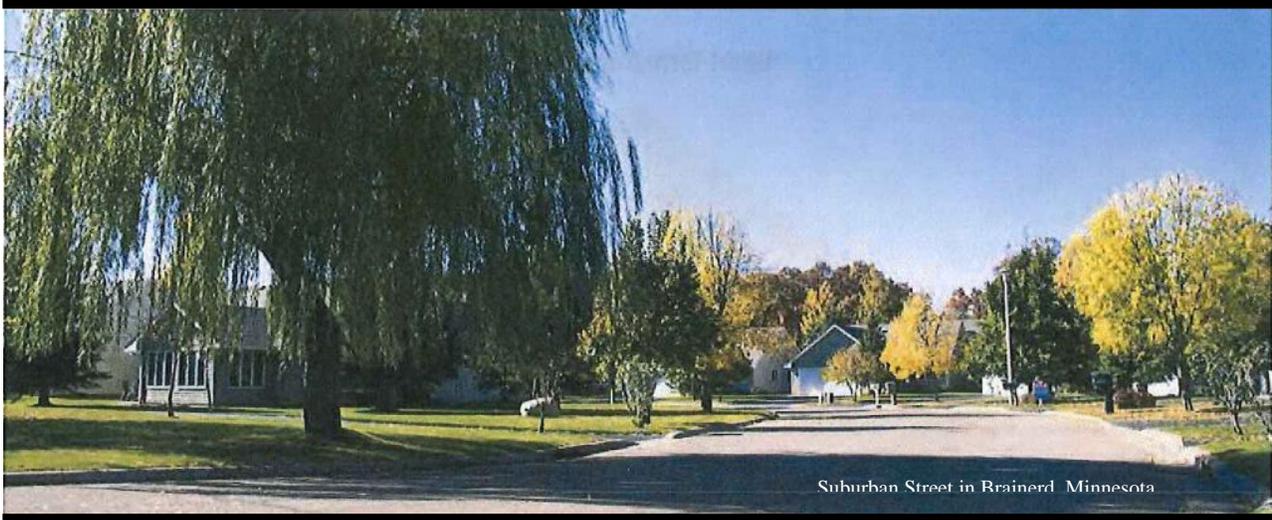
Economic Sector Changes

Current employment trends are

- an increase in education & health services (7.2%)
- Decrease in trade, transportation and Utilities (-5.2%)
- increase in leisure and hospitality (10.8%)
- Decrease in Manufacturing (- 22.6%)
- Increase in Public Administration (18.6%)
- Increase in Professional and Business services (0.4%)
- Decrease in Construction (-25.1%)
- Decrease in Financial Activities (-1.7%)
- Decrease in other services (-8.7%)
- and increase in natural Resources and Mining (10.2%).



Overview



Suburban Street in Brainerd, Minnesota

As these trends are addressed, we will need to keep in mind that our basic goal is to balance the need for both the protection of the environment and increasing economic vitality. The impact of the following facts and trends on the region also need to be considered:

- *An aging population*; the age of our population impacts every area that will be planned for. It will affect the housing, transportation, land use and the workforce we will have and need for the future.
- *Energy costs and sources*; the costs of transportation and fuel for both residences and businesses has a great impact on rural areas, due to the decentralized nature of the region. Currently, we import almost all of our energy; could that change by utilizing more local sources?
- *Health issues that affect the population*; the availability of a healthy workforce, which lowers costs and produces higher productivity, along with the

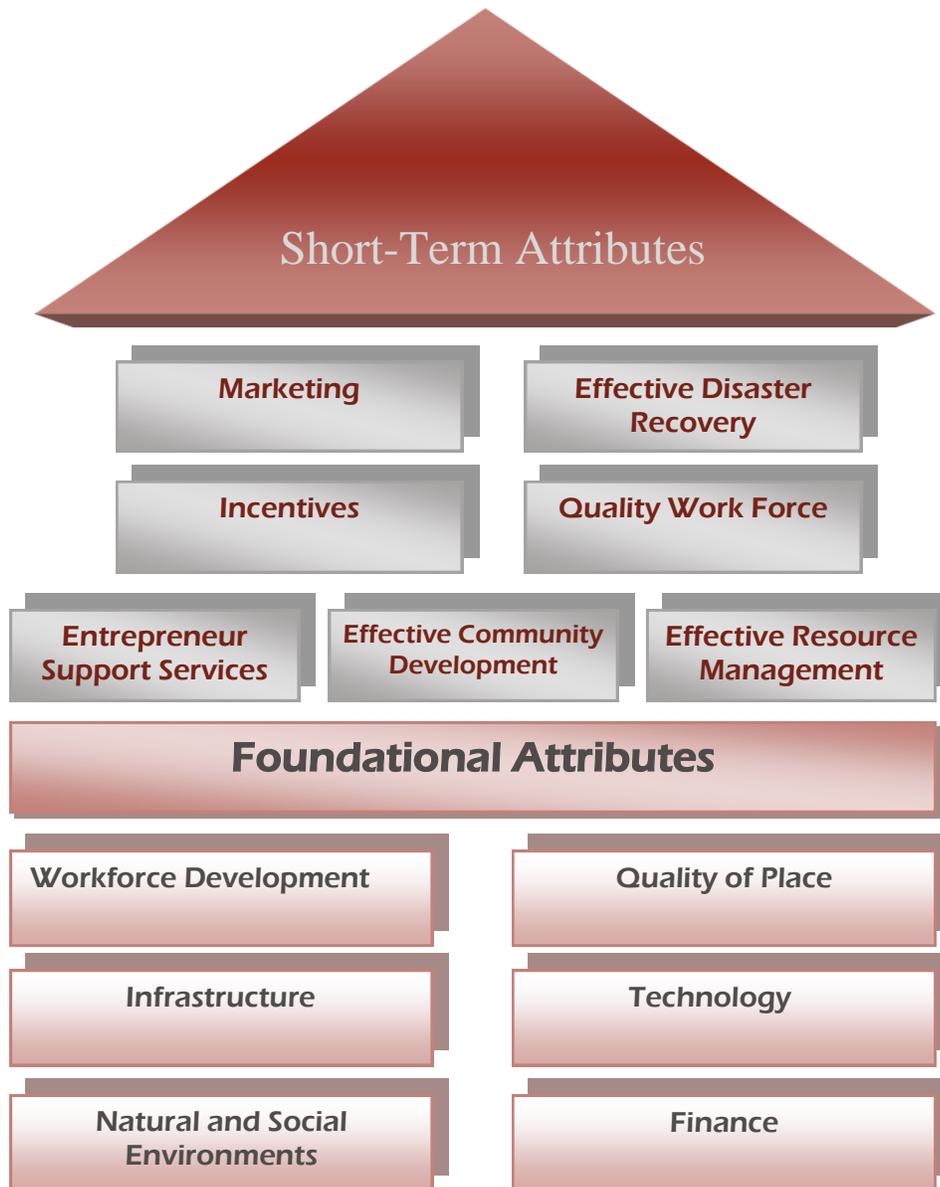
accessibility and sustainability of healthcare services for our residents will be important to our future success.

- *Education*; the importance of a well-educated current and future workforce cannot be overstated. Both in terms of wages earned and having the kind of workforce that can attract and retain businesses.
- *Population demographics*; as our future workforce shrinks and ages, it is important that every citizen has the skills necessary to be a productive and valued member of society, rather than being dependent on society. Ethnic diversity will continue to grow and expand from existing clusters, which are currently associated with areas with food processing jobs, and will be an important source of future workforce growth.

- *Geographic differences*; while our five counties have much in common, we need to realize that not every recommendation we make will have a direct effect on every county. One

example of differences is that Cass and Crow Wing County have a stronger tourism and forest products oriented economy, while Morrison, Todd and Wadena Counties have more agriculture oriented economy. It is critical to our region to consider how our economic development strategies address and potentially alter the current trends. We have titled the graphic on the following page the "EDA Building Blocks." This graphic is a visual that defines our long term and short term issues. These are the building blocks we intend to address to stimulate economic vitality and enhance regional prosperity. We address each of the Foundational Attributes in the "Issues and Opportunities" and later in the "goals and objectives sections of the CEDS.

EDA Building Blocks



Building Blocks in the “Issues and Opportunities” and later in the “Goals and Objectives” sections of the CEDS.

Economic Development Issues and Opportunities

Issues in the area of economic development were identified through the Resilient Region planning process. The economic development working group identified issues in the THEMES of:

- **Workforce Development**
- **Technological Innovation**
- **Infrastructure**
- **Natural and Social Environments**
- **Finance**
- **Quality of Life**

Workforce Development

Issue: The primary issue in workforce development is to understand the existing workforce, the needs of the Region's major employment sectors, and the needs of projected high growth industries. With better understanding is a better possibility to train the workforce to transition away from "legacy" industries, those industries in decline. Equally important is a continued assessment of the skills and aptitudes within the existing unemployed and underemployed workforce. Other key questions must be answered including: how to keep young workers in the region, how to attract & retain talent, and how to best utilize an older workforce.

Opportunities: The opportunity is to look at long-term employment projections for the Region. The Minnesota Department of Employment and Economic Development has identified, by industry and job type, where new employees will likely be needed to replace existing employees or will be needed to fill newly created positions. Assuring that we are preparing our workforce is essential to allow the economy to function with less restriction and supply people with living wage jobs.

Technology

Issue: Not all of the jobs lost in the past ten years were to developing countries with lax regulatory oversight and low wages. In fact, many jobs were lost to advancements in technology and related productivity gains. The Region has many companies that are working within energy related fields. It is important that advances in energy related technologies be capitalized on and advanced in the Region.

Opportunities: Optimizing broadband can create productivity gains and a potentially displace employees in manufacturing and other sectors; however the same broadband expansion can increase telecommunicating and home based businesses. Our focus will be to expand broadband and provide new opportunities to displaced employees. Additionally, we can create a more energy efficient region through working with utilities and emphasizing energy efficiency. Employ education and outreach to capitalize on technological advancements in energy including smart grid technologies and renewable energy conducive to our region such as geothermal, solar, wind, biomass, energy storage and hydropower.

Infrastructure

Issue: The availability of suitable infrastructure is critical for communities and businesses alike. While dependence on certain types of infrastructure can vary greatly from industry to industry, availability of transportation systems is vital for movement of goods and the workforce. Many towns throughout the region face the financial burden of replacing sewer and water lines and/or wastewater treatment facilities. Many small towns have aging



Wind Turbine, near Hewitt, Minnesota

populations which can make the cost prohibitive. In many parts of the Region, traditional infrastructure is nearing the end of its useful life, especially sewer and water infrastructure.

Opportunities: The opportunity for the region is to look at ways to decrease traditional transportation and implement innovative means of transport. These include options such as public transit, carpooling, walking and biking and telecommuting for work. Knowing that the sewer and water infrastructure is nearing the end of its useful in many areas we can plan for maintenance, upgrading, and eventual replacement of drinking water and wastewater systems throughout the region.

Natural and Social Environments

Issue: It is imperative to realize that economic development and natural/social resources are not opposing worlds; in fact, the two areas are closely related. The region's economic vitality will be directly impacted by the preservation and

growing local foods movement and energy-related crop cultivation. This wide range of opportunities, along with an ample supply of clean, fresh water, attracts people to live, work and recreate in the region.

businesses in the region.

Quality of Place

Issue: As the region's population changes and becomes more diverse, the need for new workers increases. Our region must offer services and opportunities to welcome newcomers into our communities and workforce.

Opportunities: Although our future workforce is shrinking and ages, we can focus on every citizen having the skills necessary to be productive, valued, and self-reliant, rather than dependent on society. Expanding our quality of life through a thriving art community will create economic stability. Ethnic diversity will continue to grow and expand from existing clusters that are now mostly associated with areas of food processing jobs and will be an important source of future workforce growth. The region's aging population impacts every area for which we are planning. Housing, transportation, land use, and the current and future workforce will all be affected by the age of our population.



utilization of the region's land, water and cultural assets. We must look beyond short-sighted visions leading to sprawl, environmental degradation, and infrastructure maintenance and replacement costs burdening taxpayers with continuing financial obligations. Instead, we can improve our environmental and economic outlook by promoting land use plans addressing and balancing long-term economic and environmental needs.

Opportunities: The five-county region is defined by its rich and diverse natural resources. Healthy forests and lakes drive regional economic engines like the tourism and forest products industries. Other parts of the region are used primarily for agricultural purposes, providing an opportunity to take advantage of the

Finance

Issue: The availability of capital to new and expanding businesses in the Region is an issue. In today's credit market, accessing capital can be a big challenge for businesses, especially for entrepreneurs and companies in research and development stages; the very companies the Region would like to promote.

Opportunities: The region can focus on obtaining alternative financing mechanisms to fill this void, such as microenterprise loan funds, Angel funds, Property Assessed Clean Energy RLF's or local venture capital financing to ensure capital is readily available for new and expanding

Goals and Objectives

The following goals and objectives are crafted for each THEME area;

- **Workforce Development**
- **Technology**
- **Infrastructure**
- **Natural and Social Environments**
- **Finance**
- **Quality of Life**

The Goals/Objectives were developed as recommendations from the economic development working group in the Resilient Region Planning process. Each Goal/Objective is associated with attainable performance measures.

Workforce Development

(WD1) Improve the High School focus on workforce development:

- Foster advanced placement and college curriculums in school districts. Educate parents about the opportunities available to their students.
- Promote entrepreneurial skills in High School and at technical colleges. Involve students in hands-on work experience, on the job training and paid internships. Provide training in creative thinking and plan development.
- Promote soft skills in High School such as financial literacy.
- Early on, create a more technical assessment of interests and

skills of High School students.

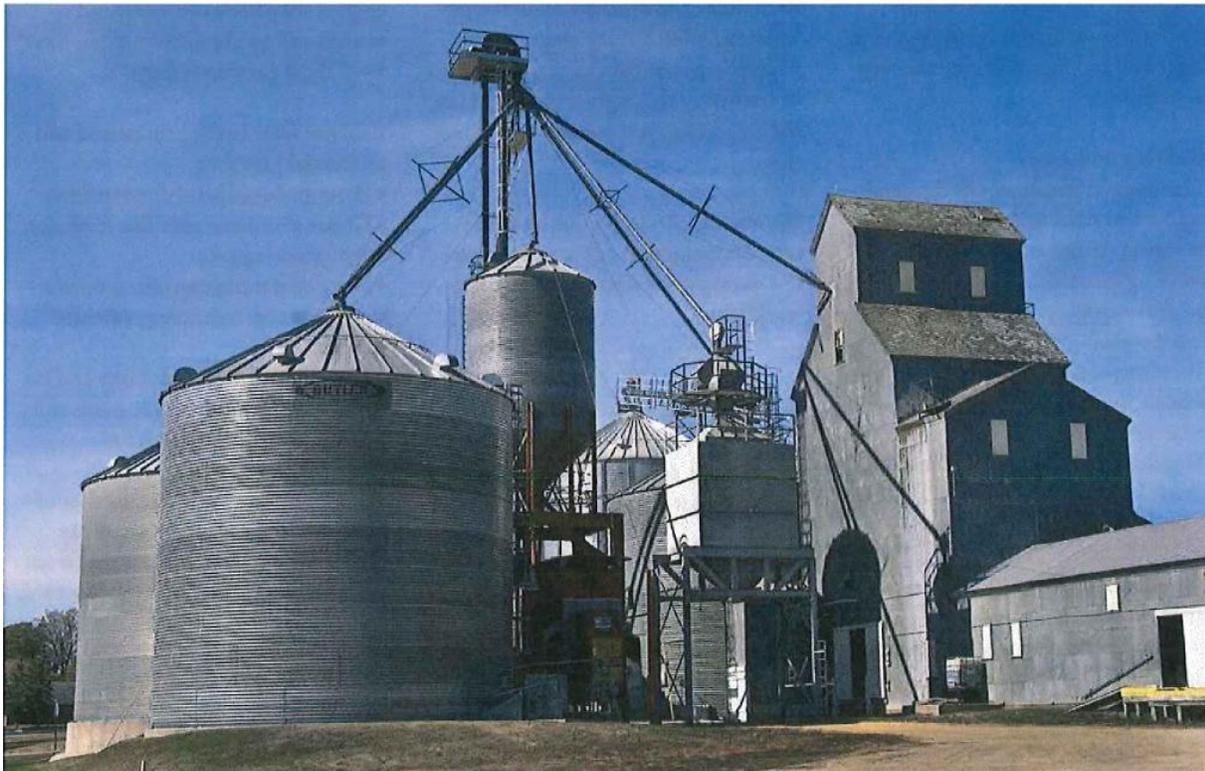
- Provide Middle and High School students, their teachers, and parents with information on high demand and high pay jobs.

Performance measure:

Our High Schools will have implemented new programs to provide a well-qualified future workforce.

(WD2) Engage and re-tool the senior workforce:

- Encourage older populations to maintain competency with emerging technologies.
- Capitalize on experienced professionals to advise and train the less experienced.



Todd County, Minnesota



Nisswa, Minnesota

- Encourage employers to recruit across the experience (and age) spectrum of the workforce.

Performance measure:

The senior workforce is maintaining employment longer and seeking adult education opportunities.

(WD3) Inventory and Assess:

- Conduct an assessment of the demographic and skills makeup/aptitudes in the region's major employment sectors, including incumbent workforce sectors and the unemployed and underemployed workforce.
- Inventory skills of the current workforce, including the unemployed and underemployed.
- Develop core educational disciplines at basic levels to provide greater flexibility for workers throughout their career.

Performance measure:

This information is used to identify gaps and gain a better

understanding of what education is needed to fill these gaps.

(WD4) Business Sector engagement:

- Encourage businesses and industries to be proactive with preparing the future workforce by collaborations with educational institutions at all levels.
- Combine the concepts of on the job training and lateral training
- Encourage an "educational cluster" to be housed in this region, such as focusing on STEM type training opportunities.

Performance measure:

The business sector is making an effort to be proactive in preparing the region's future workforce.

Technology

(T1) Identify key technology areas that directly impact economic competitiveness:

- Identify industry clusters where

public and private resources can be concentrated to enhance regional competitiveness through innovation, such as in manufacturing.

- Support energy related start-ups while encouraging innovation specifically to better technologies related to base load energy production.

Performance measure:

The economic engines have been identified and resources will be obtained to move forward those priority industries.

(T2) Advance fiber to the commercial and residential premises:

- Promote broadband development.
- Create a business plan that facilitates telecommuting jobs.
- Develop a recruiting initiative to attract and grow technology oriented companies.
- Determine the compatibility and interface between communications and smart grid technology systems.

Performance measure:

The number of households in the region served by high-speed internet services rises from the current level of 40% to 95% served.

(T3) Improve collaboration between public and private sectors to increase technology delivery and use: AND

Implement new technology in energy and other utility delivery: (sewer, garbage, and water)

- Work with Habitat for Humanity to build additional energy efficient homes and other CAP agencies to weatherize homes.
- Use technology to support

healthcare delivery in rural areas.

- Cost share on delivery of technology services in the private, public, and nonprofit sectors.
- Encourage use of technology in education.

Performance Measure:

There is increased collaboration between public and private sectors to implement new energy technologies, including state and federal financing for private/public partnerships.

(T4) Capitalize on technology innovation in the field of energy:

- Encourage and teach

conservation as the first step, then use all resources to advance practical renewable energy technologies

- Support research on conservation and renewable technologies
- Create an energy incubator campus, leverage existing expertise and create target incentives to advance the commercialization of clean-green sustainable enterprises.

Performance measures:

The region will be educated on the benefits of conservation and green technology.



Infrastructure

(I1) Create an affordable regional approach to delivering sewer and water systems:

- Provide incentives for consolidation and infill.
- Explore and utilize options for regionalization of certain infrastructure systems such as wastewater treatment.
- Advance implementation of best management practices in storm water management: reducing flows, recapturing, and conveying flows more

Performance measure:

Active Transportation projects and programs will be visible and coordination with MN Department of Transportation and the UofM Center for Transportation Studies will continue to assess and improve efficient transportation options.

Natural and Social Environment

(N1) Local Foods

- Increase local demand of citizens, institutions, and businesses for locally produced

- Educate the public to increase agriculture awareness. Use a "cradle to grave" program to educate the public on environmental issues including: local foods, agriculture awareness, natural resources, etc.
- Develop collaborations that use and enhance local culture; such as collaboration between mental healthcare professionals, artists and local food producers.

Performance measure:

The region is educated on



appropriately.

- Investigate innovative technologies for drinking water and wastewater infrastructure.

Performance measure:

All housing is served by clean, safe drinking water and a functioning waste water treatment system.

(I2) Transportation

- Plan multi-modal options (biking, walking, and autos) on projects where it makes sense.
- Assess the potential for state-of-the-art logistics technologies to improve the efficient transportation of goods and people.

goods. Increase transportation opportunities for community members, including seniors and low income citizens, to access local foods.

- Encourage local producers and distributors to use sustainable practices such as the use of recyclable and reusable containers for packaging.
- Enhance small farm training; Increase Ag education in our schools from kindergarten up, include home processing and food preparation, saving seeds.
- Create a distribution and marketing network for local products including transport and bulk stores for goods.

agriculture awareness and schools have implemented programs on small farm training. A sustainable Food HUB has been established that includes local food distribution and food processing.

(N2) Value Cultural Differences

- Cultural and geographical differences in the five county region may be used to create "cultural gardens" throughout the Region to support cultural uniqueness as a tourism strategy.
- Arts and local particularities should be funded to support the creation of these cultural gardens.

Performance measure:

The region will encourage

economic gardening practices within the art cluster and witness a visible presence of public art. The region includes artists as creative place makers in economic development planning.

(N3) Prioritize Protection

- Discourage inefficient sprawl; Sprawl is fiscally and environmentally irresponsible, In order to discourage sprawl, communities should incentivize infill, mixed-use, pedestrian-friendly development opportunities in urban cores.
- Water quality protection; Healthy lakes, rivers, streams and wetlands contribute to a healthy regional economy, and communities with a clean, abundant supply of fresh water will always attract people to live, work and recreate.
- More restrictive regulations for hazardous material disposal should also be considered.

Performance measure:

There is balance within the region by creating healthy, livable affordable communities for

humans that are also healthy, livable spaces for other plant and animal life.

(N4) Get the DATA & Measure

- Collect and manage data resources to better inform and evaluate economic development activities region-wide and in specific communities. One way of doing this may be by spatially orienting data.
- Use this data to assess resources related to elements that make our region (and each sub-region within) unique from another area. Identify and "name" these areas and use the unique qualifier to market the Region and to create regionalism and sub-regionalism.

Performance measure:

The region has created a framework to collect and deliver data that measures quality of life.

Finance

(F1) Provide gap financing through

revolving loan funds

- Create additional revolving loan funds or foster the growth of existing funds that have the most lending expertise, best access to funding sources, and most experience delivering technical assistance to work with entrepreneurs and small businesses.
- Consider creating revolving loan funds for the purposes of financing broadband investments and financing business in the energy sector.

Performance measure:

The number of gap financing opportunities in the region grows and the lending criterion expands to cover broadband and energy related development.

(F2) Provide tax benefits for businesses that move forward the triple bottom line; a balanced approach that considers environmental impacts, economic impacts, and impacts of actions on social vitality.



- Create incentives (tax credits or licensure requirements) to promote expansion of broadband access into rural and remote geographies, in a strategic manner.
- Create more financial incentives for businesses that go out of their way to protect the environment, including the use of alternative energy sources.
- Provide more financial incentives to business and individuals that utilize alternative energy and efficiencies.
- Work with local governments to levy taxes for sustainable and renewable cost savings projects.
- Secure funding for a revolving loan fund that focuses on micro-lending with delivery of high volumes of technical assistance.

Performance measure:

The region offers additional financial incentives for businesses and individuals that protect the environment and/or use alternative energy.

(F3) Expand business training and technical assistance

- Provide loan and grant application writing workshops for small business entrepreneurs, As well as have professional grant writers available to assist in accessing startup funding.
- Involve local schools in future planning processes to create a thriving community, because young creative minds bring new ideas.
- Create "homestretch" classes for business to improve capital in our community's business and industries.
- Utilize county economic development organizations to acquire financing and to structure debt and capital financing of investment deals.

- Continue to work with Region Five Development Commission to access State and Federal dollars for start-up capital.
- Work on a regional scale with multiple economic development organizations, working together to apply for and create funding for regional programs.

Performance measure:

Communities have additional knowledge of the options available to them and know how to use those opportunities to improve community and individual economic decisions and impacts.

(F4) Create a local angel investment pool to increase capital financing of local businesses:

- Develop a process to obtain capital from individual businesses within the region's circle.
- Create greater knowledge and information to expand network capacity.
- Bring local venture capitalists and entrepreneurs to the same table, Encourage capitalists to provide capital financing for startup businesses.
- Encourage community development financial institutions to provide capital to local business.
- Develop greater private and public sector leveraging capacity and when offering risk-based lending, such as the revolving loan pools.

Performance measure:

Businesses have access to angel investment pools and capital for early stage investments.

(F5) Promote "pilot programs":

- Seek new financing options. Give preferred grant and award points to applicants seeking to expand education and training programs with multi-discipline impacts.

Performance measure:

Prioritized projects from the submitted CEDS projects have multi-discipline and multi-jurisdictional impacts. Pilot projects are encouraged as a way to scale model innovative ideas.

Quality of Life

(Q1) Diverse workforce

- Use data to track and identify areas in the region where newcomers are commonly locating.
- Research and map existing and planned services for newcomers in areas where they live and/or tend to be locating.
- Collaborate with local governments, schools, nonprofits, churches, and local businesses to identify and address gaps in services needed to incorporate newcomers into the social and work fabric of the region.

Performance measure:

We have identified and published necessary information for regional newcomers to identify planned services in their area.

Communications

Prioritization of strategic projects, programs, and activities "Through the Creating a Resilient Community planning process, projects ideas were solicited from the Region and prioritized by a group of regional leaders, including private sector representatives, public officials, community leaders, private individuals, workforce development, higher education and economic development practitioners. A survey was sent to community stakeholders to solicit project ideas. This has been a successful process and used for the last three years with very good response.

The survey encouraged

respondents to think about the state and needs of the specific communities they worked in and represented. The importance of projects with multi-disciplinary and multi-jurisdictional impact was also stressed.

There were 22 respondents to this survey, all who met minimum criteria required to be evaluated. See Appendix 2 for evaluation criteria.

The project submittals were evaluated using a score and rank process based on criteria established from the HUD/DOT/EPA Sustainable Communities grant, from EDA investment priorities, from perceived project feasibility and some evaluator discretion.

Evaluators were sectioned into five groups of reviewers. Each group reviewed a set of four project submittals on August 8, 2013 at Central Lakes College in Brainerd. Evaluators shared their score and rank of each project with others that reviewed the same projects. This group identified TWO projects they believed to be the best, based on evaluation criteria with one group deciding that only one of their projects should be considered vital to the region. For a total of nine priority projects.

The Five tables presented their project ideas to the entire body of evaluators.



Resilient Community Planning

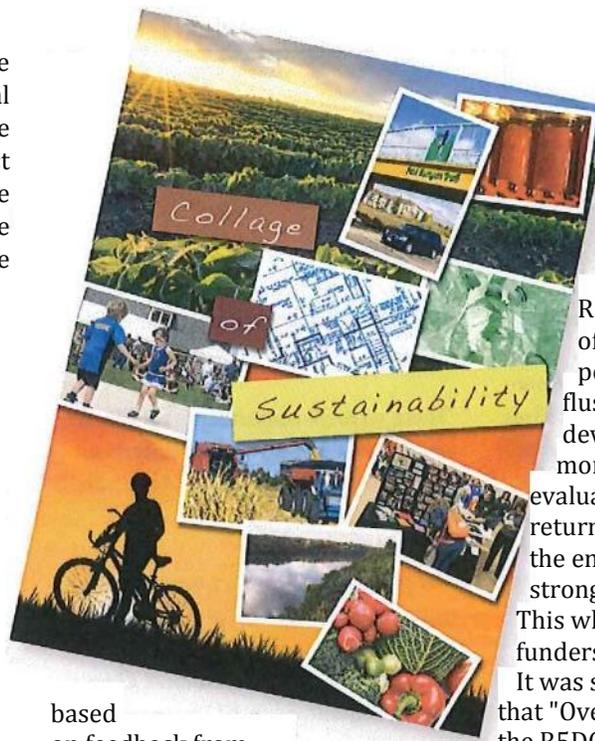
The nine projects presented to the large group are identified as vital projects. Agencies whom take leadership roles on each project are identified as well as the projects submitted including the prioritized "Vital projects" are indicated in Appendix 3.

CEDS Action Plan

See appendix 4 for status of recent grant submittals related to economic development projects and activities.

Geography of Development

Activities - Although some of the project ideas submitted are focused on only a single jurisdiction within the region the reviewing committee has identified ways that these projects may be scaled more appropriately. For example, project three serves a single city, but the reviewing committee paired it with project two which is to serve an entire county in a similar vein.



based on feedback from project proposers, evaluators, and the Commission staff. The goal of this is to maintain the flow of ideas and the multi-disciplinary and multi-jurisdictional work in the community.

A focus of this CEDS Action Plan is to promote those projects deemed as vital. It is perceived that with further development these projects will be viable funding options. The R5DC will solicit from each of these vital project proposers a white paper, flushing out more detail and developing the project idea more fully. Input from the evaluator group will be returned to project proposers to the ends of making projects stronger candidates for funding. This white paper will be taken to funders.

It was stated in the 2011 CEDS that "Over the next few months the R5DC staff, will work with the individuals and organizations with proposed vital projects to more fully develop their idea, market their idea with organizations in the Region, and seek funding opportunities as they become available."





Happy Dancing Turtle Conference, Pine River, Minnesota

Region Five Development Commission is in process of submitting an application to USDA for the 2012 "Vital Projects" and hope to be funded and moving those projects towards implementation!

Another main focus of Local Action of this CEDS Action Plan is to support the local economic development goals through regional activities that add value to local work;

Several economic development organizations exist within the Region at varying scales. These organizations include the Cass County Economic Development Corporation (EDO), the Brainerd Lakes Area EDO, Community Development of Morrison County, the Todd County Development Corp., Wadena area EDO, Long Prairie EDO to name only a few. Most of our cities engage in economic development activities; our strategy is to assist in regional projects and strategies that these rural small communities could not succeed at alone.

The local Philanthropic foundations have been increasingly generous in supporting economic development activities. Continuing these relationships will be a significance part of this action plan. The local

foundations including: BUSH Foundation, Initiative Foundation, Blandin Foundation, Otto Bremer Foundation and others have all supported economic development activities/projects/programs over the last year. Given the continued cuts at the federal level, our region sees the approach to nurture these relationships as practical and judicious.

State Action & Partnerships Projects - The State of Minnesota's Department of Employment and Economic Development (DEED) has created a list of strategies and key actions related to their activities in the State. Obviously, many are similar to those of Region Five. In fact, DEED cites as one of their Key Actions the need to identify and support initiatives that strengthen regional economies. Along with this they wish to align program investments with state and regional strategies. DEED calls this creating a "culture of sustainable collaboration." The regional approach of Region Five that emphasizes collaboration across disciplines and jurisdictions parallels the State's strategies and actions well.

Several of the DEED programs are accessed and DEED frequently partners and funds projects within

the region.

DEED invests support in the Region through Minnesota Workforce Centers. These centers are located in Brainerd, Little Falls, and Wadena and support the workforce as one-stop locations for job seekers and businesses.

Region Five Development Commission is in early program development stages with the other Minnesota Regional Development Organizations to prepare a Greater MN Economic Development strategy. This rural statewide approach has the potential to collectively move the dial and advance DEED and MN RDO aligned strategies.

In addition to DEED, the other state agencies who have recently funded local economic development projects and programs include: Minnesota Department of Transportation, MN Dept. of Health, MN Dept. of Ag and the MN Housing and Redevelopment Authority.

Federal Action & Partnerships- In addition to the EDA relationship and accessing the Public Works funding for infrastructure improvement projects there have been several other federal agencies

who have funded economic development projects and several more who have been applied to. Some of these federal agencies include: Homeland Security, DOT, EPA, HUD, USDA Rural Development, HHS.

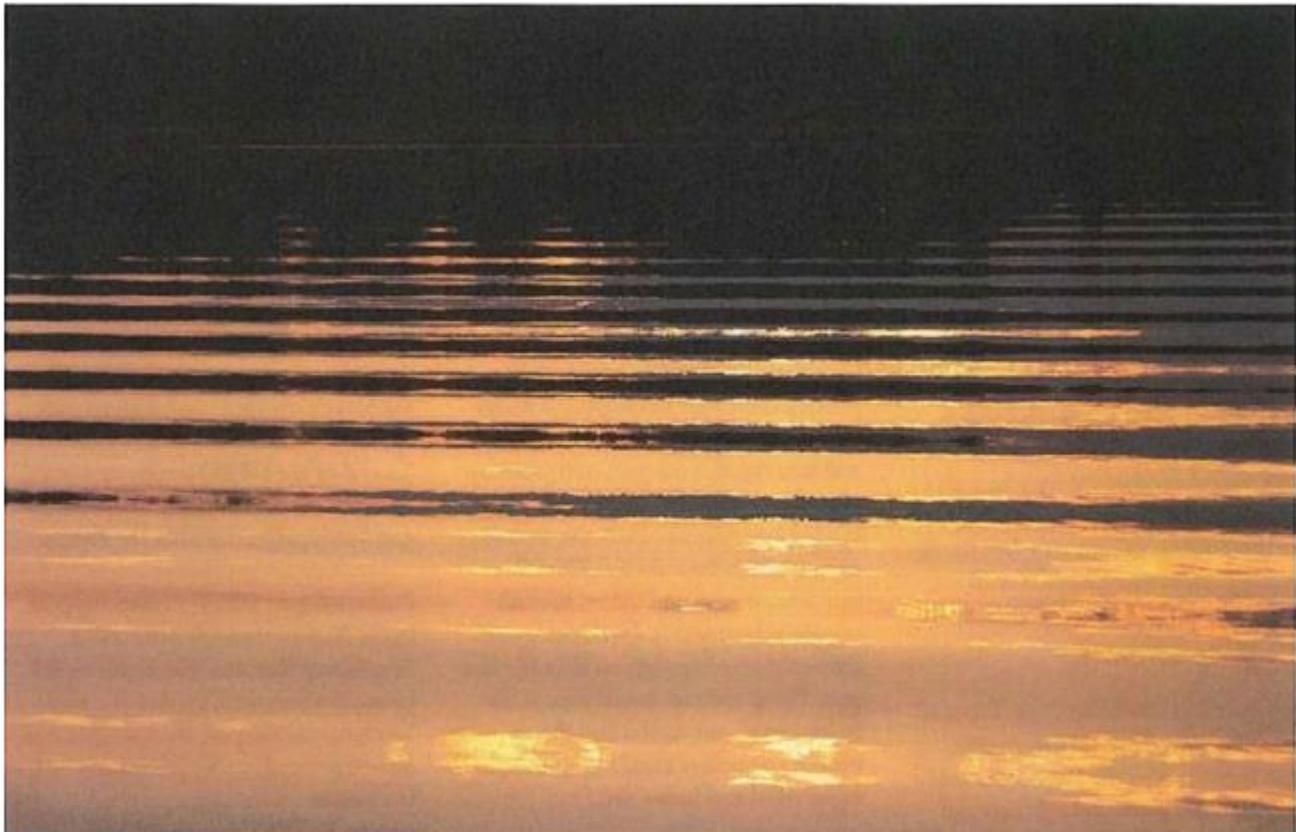
CEDS Approval Process

See **appendix 5** as a visual of the CEDS Approval process and list of EDA Governing Body members and members of the CEDS Strategy Committee.

The North Central Economic Development Association is a 501c3 of the Region Five Development Commission and was established as a private sector group to oversee the program activities and provide industry best management practices to the Commissions Revolving Loan Funds. This group of 15 private sector individuals

meet with the 22 elected officials from Region Five Development Commission bi-annually to discuss the CEDS and to provide oversight. Together, these two groups are the EDA Governing Body. The EDA Governing Body totals 37 individuals representing the private and public sectors with geographic equity.

The EDA Governing Body created a separate CEDS Strategy committed to review the project proposals and to assist with implementation of the CEDS strategies. The CEDS Strategy Committee is comprised of individuals from the Resilient Region Advisory Board and additional private sector and non-profit individuals.



Cass County, Minnesota