



# Champion Report

Theme Area: Economic Engines

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**REPORTING PERIOD: January 2016-April 5, 2016**

Goals/Strategies or Action Steps:	What NEW success have you had in moving your theme goals forward over the reporting period?
<p>R1</p> <p>R1 Action Step D</p>	<p><b>Business Dev-</b>The SBDC and SCORE have continued its initiative on business transition planning with small businesses in the region. Currently there are 6 businesses working through the process and others interested. Presentations have been made to trade groups such as the Minnesota Resort and Campground Association, service clubs like rotary and presentations sponsored by Todd County Economic Development Corp and a local bank. Bills have been authored to appropriate funds for the SBDCs to provide succession planning services. These bills are currently moving through the legislative committee process.</p> <p><b>Investment Crowdfunding-</b>The Crowdfunding initiative and Educational Portal is moving forward and filming for the video is completed. Dates are set for both the workshop (July 21, 2016) and webinar (June 22, 2016). The new website is being launched <a href="http://www.northcentraleda.org">www.northcentraleda.org</a></p>
<p>R2</p>	<p><b>Sprout- Presentations:</b></p> <p>July 2015 – Initiated conversations with CentreCare on replicating Choose Health in Long Prairie.</p> <p>July 2015 – Initiated conversations with St. Gabriel’s Hospital on replicating Choose Health in Little Falls.</p> <p>September 22, 2015 – Hosted the Statewide Food and Agriculture Council attended by Statewide representatives of USDA Rural Development, Farm Services Agency, and Natural Resources Conservation Services; University of Minnesota; Region Five Development Commission; Central Lakes College; Minnesota Department of Health; Public Health; Initiative Foundation; and representatives from Senator Klobuchar and Senator Franken’s offices. This meeting was an open agenda meeting to discuss significant changes and how we can leverage resources and pool together for agency effectiveness. Sprout spoke specifically on strengthening Farm to School, particularly related to the Healthy Hunger-Free Kids Act support and sustainment.</p> <p>October 19, 2015 – Arlene one of TEDx speakers, which can be found at: <a href="https://www.youtube.com/watch?v=urFzbR_fjmo&amp;feature=youtu.be">https://www.youtube.com/watch?v=urFzbR_fjmo&amp;feature=youtu.be</a></p> <p>November, 2015 – Cheryal Hills and Arlene Jones presenters on Choose Health at Food Access Summit in Duluth, MN</p> <p>November, 2015 – Cheryal Hills participant in RED Group, invited to participate in the Good Food Access Fund – an initiative to appropriate \$10 million dollars to scale up food access to point of sale providers in Minnesota. This initiative has received significant support. See March 2016.</p> <p>November, 2015 – Lakewood Health Systems awarded Bush Prize for Community Innovation for the</p>

	<p>Choose Health Program</p> <p>December, 2015 – Cheryal Hills and Arlene Jones on policy committee and Arlene Jones on grassroots committee to move forward Good Food Access Fund.</p> <p>December, 2015 – Sprout staff on panel at Central Lakes College Indoor Food Production conference</p> <p>January – March – Prescriptive CSA program launched at St. Gabriel’s in Little Falls and CentreCare in Long Prairie for 2016 season. Program expanded at Lakewood Health Systems to 100 families with wide outreach.</p> <p>February 2016 – Sprout and CLC staff presented at U of M’s Local Food College on Gleaning Program</p> <p>March 2016 – Sprout facility in Little Falls completed with fully licensed facility as of 4-1-16!</p> <p>March 2016 – Good Food Access Fund receives local support and SF 2958/HF 3363 moves from the senate ag committee to the house ag committee. Cheryal Hills at the Capital to testify 3-30-16.</p> <p>April 1<sup>st</sup> Open House-GRAND OPENING with many local and national dignitaries on hand including Senator Amy Klobuchar, Congressman Rick Nolan, USDA Under Secretary Lisa Mensah, USDA RD Statewide Director Colleen Landkamer, MDA Commissioner David Fredrickson, numerous local elected officials and dignitaries with 30+ local growers and makers on hand Friday and Saturday.</p>
R3 Action Step A	<p><b>“NEW”-ARTPLACE AMERICA GRANT APPLICATION:</b> Region Five Development Commission has submitted an application for funding for placemaking within the region.</p> <p><b>FIVE WINGS ARTS COUNCIL</b></p> <ul style="list-style-type: none"> <li>• Thursday, March 31, 2016 hosting Celebration of the Arts at Great River Arts, Little Falls. Join us in the celebration of the outstanding people and organizations improving life in Region Five through their work in the arts.</li> <li>• April 15, 2016: Next deadline for Community Arts Access Projects, starting on or after July 1, 2016. FWAC is no longer accepting applications for projects that begin before July 1st.</li> </ul>
R4 Action Step A	<p><b>Training and Planning:</b> Region Five/NCEDA will be hosting Labor Market Information training sessions provided by DEED.</p>

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

Further development and education of the Investment Crowdfunding initiative.

Continued grant writing and fund raising for Sprout kitchen with respect to small wares for value added processing

Training growers in business operations and development to continue to scale up volume of locally grown commodities to schools, hospitals, institutions, consumers and those at risk nutritionally through CSAs and Choose Health programs

Continuing to advance goals in placemaking by working collaboratively with artists to develop a unique sense of place and destination in the Marketplace

# 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.