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I. ADJUSTMENT TO THE STRATEGY

The Economic Development District (EDD) is comprised of four Minnesota counties - Kandiyohi, McLeod, Meeker, and Renville. As can be deduced from the following U.S. Drought Monitor graph and map of the State of Minnesota, the Southwest portion of the state is in an extreme drought situation. The affected EDD counties in extreme drought conditions include all of Kandiyohi and Renville and approximately one-half of Meeker. McLeod County is in a severe drought status.

The Comprehensive Economic Development Strategy (CEDS) was constructed in 2011 and an adjustment must be made in the 2013 Annual Comprehensive Economic Development Strategy Performance Report regarding the drought conditions. The drought conditions have affected the agricultural industrial sector of the economy with reduced crop yields and has greatly affected the well water supplies of farmers and agricultural businesses needing a stable water supply. The weather and weather patterns are out of human control however there are several ways to lessen the hardships of drought conditions on the agricultural and agribusiness community. This work incorporates activities focused on developing local institutional capacity to deal with disaster preparedness and, when the impact of disasters is felt, to
manage relief interventions. The main focus of such work incorporates both water preservation and conservation, while trying to improve crop yields and maintain a water healthy environment for raising farm animals.

Hazardous Mitigation Plans are required for Federal Emergency Management Administration funding. These plans must be updated every five years. All the Counties in the Economic Development District have Hazard Mitigation Plans which may address drought conditions. However the drought conditions do affect the Regional Economy and should be addressed in the Comprehensive Economic Development Strategy Annual Performance Report.

Charlie Poster
Assistant Commissioner of Agriculture
Minnesota Department of Agriculture
Speaking at Ag Seminar Sponsored the EDD
February 7, 2013
II. REPORT ON ECONOMIC DEVELOPMENT ACTIVITIES

In early spring 2012, the Economic Development District authored an Economic Development Administration (EDA) Public Facilities Grant in the amount of $1 million for industrial park expansion. Unfortunately, the application was not funded.

The Economic Development District (EDD) continues to administer the Revolving Loan Fund (RLF) that was part of an EDA grant in 1995.

EDD staff participated in a “Workforce Forum” that was hosted by the Workforce Investment Board for the region. Discussion centered on improving employment opportunities in the region using the “more and better jobs” analogy. Discussion on barriers businesses face regarding hiring employees and growing their businesses.

Staff assisted and provided technical assistance to the Minnesota Intelligent Rural Communities Program. The main focus of the program was to bring high speed broadband to rural Minnesota and improve productivity for rural businesses.

Ongoing technical assistance was provided to “New Minnesotan Community Development, Inc. The corporation has purchased a former school building in the city of Willmar and intends to transform the structure into a religious and workforce education facility.

EDD staff served on the Renville County Revolving Loan Fund Advisory Committee and provided technical assistance. Several applications for loans were vetted and due diligence was provided.

EDD staff also served on the Kandiyohi County Business Retention, Expansion, and Recruitment Committee. The committee meets monthly to discuss the business climate and employment arena.

EDD staff also serves on the Kandiyohi Revolving Loan Fund Committee. Several loans were vetted and due diligence performed along with ongoing monitoring.

EDD staff attended a Regional (18 County) Economic Development Professional meeting in Granite Falls, Minnesota. The meeting has several economic development presenters and dialogue included economic development new initiative and roundtable.

EDD staff attended a Department of Employment and Economic Development (DEED) meeting in St. Paul, Minnesota. The meeting involved panel discussion on renewable energy and how to grow this industrial sector. The new DEED Commissioner Katie Clark was in attendance and provided information on herself and happening at the state level.
In October 2012, the Economic Development Administration Planning Grant Mid-Point Progress was authored by the Economic Development District. It outlines successes of the district and identified outreach efforts as well as goals and objectives obtained.

In the fall of 2012 and in partnership with the Kandiyohi County Economic Development Commission and the U.S. Small Business Administration’s regional Small Business Development Center EDD staff provided technical assistance and made a presentation on the “FOUR C’s of Credit” to small businesses.

EDD economic development staff met with staff from the State of Minnesota Agricultural Utilization Institute. The institute provides technical assistance to food processes on provides laboratory work to entrepreneurs.

Staff attended the EDA Chicago Regional Office training conference in Naperville, Illinois to stay abreast of economic development issues and changes at the Chicago Office and federal Regulations in general.

All State of Minnesota EDD Staff were in attendance in Appleton, Minnesota for a visit from Deputy Assistant Secretary Matt Erskine. Staff brought the Deputy Assistant Secretary up to date on economic development initiatives going on through-out the State of Minnesota. This meeting was in conjunction with an EDA grant investment in Appleton, Minnesota.

In February of 2013, the EDD sponsored an “Agricultural Business Resource Seminar.” The seminar featured four speakers from various organizations that have grant and loan sources for agricultural and agricultural business purposes. The featured speaker was Charlie Poster, the Assistant Commissioner from the State of Minnesota – Department of Agriculture.
III. EVALUATION OF PROGRESS ON IMPLEMENTATION PLAN AND GOALS

One of the objectives outlined in the Comprehensive Economic Development Strategy was to increase the use of the internet and broadband activities for businesses in the Economic Development District. The Mid-Minnesota Development Commission (MMDC) partnered with the Blandin Foundation and several other entities to initiate a program called the “Minnesota Intelligent Rural Communities.” The program has several individual initiatives including providing used computers to persons and businesses in the Region. The Mid-Minnesota Development Commission received the pictured award from the Blandin Foundation for their successful participation in the program.
A goal of the Comprehensive Economic Development Strategy was to support and augment the very large agriculture and value-added agricultural economy. There were two plants which had closed prior to 2012. One of the plants was an ethanol plant in Buffalo Lake, Minnesota. After retrofitting and other improvements, the plant re-opened. The now employs several persons and is back on track. Another plant that closed was a beef processing facility in Buffalo Lake, Minnesota. This plant was closed for many years and had wastewater issues. After retrofitting and construction of a new sewer line to an adjacent community the plant is now up and running and employs more than twenty five workers.

One of the goals in the Comprehensive Economic Development Strategy was to increase production at a cheese plant in Litchfield, Minnesota. The First District Association, after construction and expanding, went from producing 3.85 million pounds to 5 million pounds and also added employees.

Collaboration with the Mid-Central Research and Outreach Center was also on the project list in the Comprehensive Economic Development Strategy. The Mid-Minnesota Development Commission collaborated with Mid-Central Research and outreach Center to have an “Agricultural Business Seminar”. The seminar was a success and about 35 persons attended.
IV. SCHEDULE OF GOALS FOR NEXT YEAR

The following are the goals for the upcoming year. It includes activities, both construction and non-construction.

A Business Retention and Expansion program will be performed for Kandiyohi County. The project will survey businesses in the county to explore any “red flags” that could be alleviated. The survey meeting will also thank the business for doing business in the county. The survey will be used to determine the economic conditions of the county as well as any plans for business expansion or hiring additional employees.

The EDD staff will also participate in a statewide survey of businesses sponsored by the State of Minnesota Department of Transportation. EDD staff will partner with the University of Minnesota Extension staff and Minnesota Department of Transportation staff to conduct the interviews. Outcome of the survey will be mainly transportation oriented with an economic development undertone.

EDD staff will be partnering with other State of Minnesota EDD staff to bring forward a “Statewide Economic Development Plan”. Funding will be applied for to the Economic Development Administration and there will be a local match.

There is high probability that there will be a new hospital and clinic facility that will be constructed in Renville County. The facility would be around 62,000 square feet and have about 25 patient beds. This economic development project would retain and create employment opportunities in Renville County.


Investigate the possibility of starting a business incubator. The incubator could be either real or virtual in nature.

Participate in the Regional Workforce Investment Board Forum which will enhance the Boards knowledge and understanding of local and regional issues and concerns regarding economic development and workforce development.

Continue to assist entrepreneurs in the Region with professional technical assistance regarding business planning, marketing, and loan packaging assistance.

Continue to serve as chairperson of the Kandiyohi County/City of Willmar Economic Development Commission Business Retention and Expansion Committee.
Continue to serve on the Renville County Economic Development Commission Revolving Loan Fund Committee.

Assist the City of Willmar and Downtown Design Center with the Start-up of a Community Owned Grocery Store. The store will sell local foods and hand-made items.

Continue to serve on the Kandiyohi County/City of Willmar Economic Development Commission Revolving Loan Fund Committee.

Participate in the Economic Development Administration - Chicago Regional Office - Quarterly Conference Calls.

Continue to assist Cities and Towns in the Economic Development District with economic development assistance and be a professional technical assistance resource.

Maintain communication with the EDA Chicago Regional Staff regarding any mass layoffs or plant closure activities.

Continue to partner and collaborate with the Economic Development Administration University Center at the University of Minnesota – Crookston.

Continue to partner with the Minnesota Department of Transportation with local input on transportation planning activities on a local level.

Continue to Manage the Federal Economic Development Administration Revolving Loan Fund.